

## Takeshita named successor to Nakasone

TOKYO (AP) — Noboru Takeshita, leader of the ruling Liberal Democratic Party's (LDP) largest faction, will succeed Yasuhiro Nakasone as party president, and thus as Japan's prime minister, LDP officials announced early Tuesday. They said Mr. Nakasone, who is stepping down as LDP leader on Oct. 30 after five years in office, made the decision after he was given full authority late Monday to nominate his successor from among the three contenders — Mr. Takeshita, Shintaro Abe and Kiichi Miyazawa. Mr. Takeshita, 63, a former finance minister and now LDP secretary general, is to serve as LDP leader and prime minister for the next two years after the ruling conservative party confirms him as new party chief at a convention scheduled for Oct. 31. The Diet (Parliament) is to meet in an extraordinary session, expected to be convened on Nov. 6, to elect him prime minister, a post of which he is assured because of the LDP's large majority.

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## Jordan renews support for Kuwait

AMMAN (Petra) — His Royal Highness Crown Prince Hassan, the Regent, on Monday voiced Jordan's concern over the consequences of the recent Iranian assault on Kuwait's territorial waters and land. During a telephone call with Kuwaiti Crown Prince and Prime Minister Sheikh Saad Al Abdullah Al Sabah, the Regent voiced Jordan's total support for Kuwait in defending its sovereignty and Arab identity. Prince Hassan reiterated to Sheikh Sabah Jordan's condemnation of the recent Iranian attempts "which aim at threatening the security and stability in the Arab Gulf." Sheikh Sabah praised Jordan for the Kingdom's sincere stand and constant work towards achieving pan-Arab solidarity under the leadership of His Majesty King Hussein. Kuwait was the target of several missile attacks by Iran in past months. The latest attacks came on Thursday and Friday in which a Kuwaiti-owned Liberator-class tanker and a U.S.-flagged Kuwaiti tanker were hit.

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## King, Shultz discuss Mideast

LONDON (Petra) — His Majesty King Hussein Monday received U.S. Secretary of State George Shultz at his residence in London. During the meeting His Majesty and Mr. Shultz discussed latest developments in the Middle East and in the Gulf region. The meeting was attended by Prime Minister Zaid Rifai, Chief of the Royal Court Marwan Al Qasem and Foreign Minister Taher Al Masri.

## Dajani meets British ministers

LONDON (Petra) — Interior Minister Rajai Dajani on Monday held talks with the British minister of state for home affairs, Timothy Renton. Means of strengthening bilateral cooperation in security was discussed between the two ministers. Mr. Dajani, started his week-long visit to Britain on Saturday. On Monday, Mr. Dajani also visited the general headquarters of Scotland Yard. Earlier in the day, Mr. Dajani was received by British Minister of State for Middle East Affairs David Miller for talks on the latest developments in the Middle East.

## Parliamentary team returns

AMMAN (Petra) — Jordan's parliamentary delegation to the 78th meeting of the International Parliamentary Union (IPU) in Bangkok returned home on Monday. Senator Hazem Nuseibeh headed the team, which comprised Parliament Secretary General Hani Khair and Director of Parliamentary Affairs Zaid Zuraikat.

## Assad meets Musavi

DAMASCUS (AP) — Syrian President Hafez Al Assad conferred Monday with visiting Iranian Prime Minister Hussein Musavi on the Gulf war and Iran-Syria relations, the official Syrian Arab News Agency (SANA) reported. Details of the talks, attended by Syrian Prime Minister Abdul Raouf Al Kasm and a high-level delegation accompanying Mr. Musavi, were not disclosed by Syrian sources.

## Yugoslav leader collapses in assembly

BELGRADE (AP) — President Lazar Mojsov collapsed Monday in the national parliament and was carried from the assembly hall in his armchair, but later returned and resumed speaking. Mr. Mojsov, 67, was giving a keynote speech to parliament on Yugoslavia's protracted economic and social crisis when he turned pale and was carried out on doctor's orders. Thirty-five minutes later, the president reappeared and sat down to continue his speech, reading from a prepared text.

## Northrop asked to pay \$31m to Khashoggi

WASHINGTON (R) — The U.S. supreme court let stand on Monday a ruling that the aerospace and defence contractor Northrop Corp must pay \$31 million to a company controlled by wealthy Saudi businessman Adnan Khashoggi.

## Kuwait begins bombing exercises

KUWAIT (R) — Kuwait began live bombing exercises in the Gulf on Monday. A Kuwaiti Defence Ministry spokesman told Reuters Kuwaiti jets were to practise bombing naval targets with live ammunition off Kibbar Island, about 40 kilometres off its main oil port of Mina Al Ahmadi.

## Swedish minister resigns over spy escape

STOCKHOLM (R) — Swedish Justice Minister Sten Wickbom resigned on Monday, saying he took full responsibility for a series of bungles which led to the escape of a Soviet spy from under the noses of the security services. The spy, Stig Bergling, slipped out of his wife's Stockholm flat after he was left unguarded during a 24-hour conjugal leave on Oct. 5. He has since disappeared without trace.

# U.S. navy destroys two Iranian platforms; Tehran sees 'full-fledged war'

Reagan, announcing retaliation for missile attack on tanker in Kuwait, warns Iran of stronger action

Combined agency dispatches

BAHRAIN — U.S. warships on Monday destroyed two Iranian platforms in the Gulf in retaliation for last week's Iranian attack on a U.S.-flagged Kuwaiti tanker and Tehran declared that America was now involved in a "full-fledged war" with Iran and vowed a "crushing response."

In Washington, President Ronald Reagan described the attack on Iranian targets as a "prudent and restrained response" to Iranian attacks on non-belligerent shipping in the Gulf and warned Tehran of stronger action if the military escalation continued.

While the White House said the gunfire had wiped out "two platforms at one location," Iran named two platforms, some 32 kilometres apart, as having been attacked. Before darkness fell, shipping executives in the Gulf said salvage tugs and other craft had reported columns of smoke rising from the two offshore rigs, listed on maps as Rostam and Rakhsh. U.S. warships were warning other craft away from the area, they said.

The Iranian news agency (IRNA) quoted an "informed source" at the Iranian Oil Ministry as saying the Americans had struck the platforms, which it calls Resalat and Reshadat, 100 kilometres from coastal Lavan Island, the terminal point for underwater pipelines from the platforms.

The platforms, 120 to 150 kilometres east of the Qatar Peninsula, are among several permanent drilling rigs in the central Gulf. Iran is known to have used offshore oil platforms for helicopter and armed speedboat attacks on commercial shipping.

In Washington, Defence Secretary Caspar Weinberger said four U.S. warships destroyed the Rostam platform in retaliation for the attack on the U.S.-flagged Sea Isle City tanker in Kuwaiti territorial waters last Friday.

Mr. Weinberger said most of 20 to 30 Iranians on the platform abandoned it after receiving 20 minutes' notice from the U.S. warships, and fled in small boats.

Four destroyers, three of which had sailed into the Gulf from the Arabian Sea for the specific purpose, then obliterated the platform with 1,000 rounds of 5-inch gunfire.

"We consider this matter is now closed," Mr. Weinberger said in a nationally televised announcement. "We do not seek further confrontation with Iran but will be prepared to meet any further military escalation by Iran with stronger retaliation," he added.

The ships were the guided missile destroyers Hoel, John Young, Leftwich and Kidd. The first three have been operating with U.S. navy battle groups in the Arabian Sea outside the Gulf.

The Kidd, known as an "Ayatollah Class" vessel because it was among four originally built for Iran but cancelled after the fall of Shah Mohammad Reza Pahlavi, is a member of the Middle East force, the navy's Gulf-based escort squadron.

Mr. Weinberger said the Rostam platform was often used by Iran "to launch small boat attacks against non-belligerent shipping" and added that a U.S. helicopter was fired on from the platform last week.

At the time, U.S. officials here said the helicopter did not return fire because it was not certain it had been fired upon.

Defence Department spokesman Fred S. Hoffman told reporters at least one navy E-2C electronic surveillance plane was in the area to keep watch over Iranian air traffic and that jet

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## Regent reviews plans for industrial chemicals plant

AMMAN (J.T.) — His Royal Highness Crown Prince Hassan, the Regent, on Monday chaired a meeting at the headquarters of the Jordanian Industrial Consortium Engineering Company to review plans and studies for a projected industrial chemicals plant. The project, to be set up near the southern tip of the Dead Sea near the Arab Potash Company (APC) plant, will be employing local raw materials including phosphates.

According to the company director, Omar Abdullah, feasibility studies are now being finalised and construction of the project will begin in two years' time. At the meeting, which Mr. Abdullah attended, discussion covered various contacts the company has been making with international firms in the course of preparing feasibility studies for the project, and agreement was reached on enlisting local and foreign expertise in the process of drawing up designs for the plant.

Prince Hassan, who addressed the meeting, stressed the need for involving as many Jordanian



His Royal Highness Crown Prince Hassan, the Regent, chairs a meeting on Monday devoted to reviewing plans for setting up a new industrial chemicals plant (Petra photo)

technicians as possible in technical training processes and involving scientific research centres.

He said this vital project would be one of the major regional schemes that could be complementary to petrochemical industries in the Gulf region employing petrochemical products and marketing products abroad. During the meeting agreement

was reached on a working plan covering financial and organisational procedures designed to speed up the implementation of the project.

Attending the meeting were Minister of Energy and Mineral Resources Hisham Al Khatib, Minister of Planning Taher Kanaan and Royal Scientific Society President Jawad Al Anani.



AFTERMATH OF FLOODS: Vast expanses of farmland were destroyed in the Jordan Valley by flash floods that hit the region Friday and Saturday causing losses estimated at hundreds of thousands of dinars (See story on page 3)

## Shultz ends Mideast visit in Cairo, heads for London talks with King

Combined agency dispatches

U.S. Secretary of State George Shultz wound up a Middle East visit and left for London on Monday for talks with His Majesty King Hussein on Arab-Israeli peace efforts.

Before leaving Cairo, the last stop of his trip which included Israel and Saudi Arabia, Mr. Shultz said he found a "genuine preoccupation with the importance of peace" in Egypt and Israel but admitted that his visit broke no new ground in Mideast peace efforts.

Nevertheless, Mr. Shultz said, he has had worthwhile and thorough discussions with Egyptian and Israeli leaders which convinced him that "people are putting a higher and higher premium on the importance of getting somewhere."

In Israel, a spokesman said the foreign minister, Shimon Peres, believes the success of Mr. Shultz's visit to the Middle East could only be assessed after his meetings with Egyptian President Hosni Mubarak in Cairo and King Hussein in London.

Mr. Peres believes the visit was excellent and important but there is no point until Mr. Shultz meets Mr. Mubarak and the King, a press spokesman told reporters.

There was speculation in the Israeli press that Mr. Shultz had come up with a new formula to advance peace efforts but little details were available. Peres aides declined to specify what new proposals, if any, Mr. Shultz had to present to Mr. Mubarak and the King after three days of talks with the Israeli prime minister, Yitzhak Shamir, and Mr. Peres.

Mr. Shultz told a news conference in Israel on Sunday that he had "some things to talk to King Hussein about, but I will reserve them for him."

## Jordan rejects any change in peace conference framework

AMMAN (J.T.) — Minister of Information Mohammad Khatib said Monday Jordan rejects any attempt to substitute the framework of the proposed international peace conference with a new limited formula in which the Soviet Union will have a limited role.

In an interview with the French news agency (AFP) the minister said Jordan rejects any change in the framework of the conference in which all U.N. Security Council members along with all parties to the conflict should be participating on equal footing.

Mr. Khatib was commenting on reports that U.S. Secretary of State George Shultz had suggested to Israel that such a substitute formula should be considered over the Arab call for an international conference on the Middle East.

"Neither Israel nor the U.S. has the right to introduce any change in the official framework of the international conference as endorsed by the international community," Mr. Khatib was quoted as saying by AFP. He said a lasting and just peace could be reached only through the official framework of the international conference.

Others (in the delegation). Mr. Shultz said the ultimate goal of any peace process in the region should be direct negotiations between Israel and the Arabs.

"We had worthwhile discussions about (prospects for peace) in Israel and here," Mr. Shultz said, speaking outside Mr. Mubarak's office in his suburban palace.

"I don't have any particular thing to report except the fact that there is, as much as any time I have seen it, a genuine preoccupation with the importance of peace, a sense of the genuine opportunity that would derive from peace."

"As that feeling mounts, I think that maybe it helps us to find our way to the kind of direct bilateral negotiations that are the vehicle for peace as was the case between Egypt and Israel. I think that route is vindicated by the fact that now we see this relationship (between Israel and Egypt) has existed, has prospered. It has worked."

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# Kuwait reflags another oil tanker in Britain

**KUWAIT (R)** — Kuwait has put a second oil tanker under the British flag to qualify for Royal Navy protection against Iranian attacks in the Gulf and it plans to reflag a third one in Britain soon, shipping sources said on Monday.

They said the Kuwait Oil Tanker Company (KOTC) had recently re-registered the 27,841-tonne refined products carrier Ras Al Jazayir under British flag and it was the Chulham Castle.

A sister ship, the Ras Al Barshah, would be re-registered in Britain by the end of next month, the sources said.

In August, KOTC re-registered the 263,679-tonne crude oil carrier Al Fahia in Britain under the name Tonbridge.

All three ships will be owned by a company called Kent Petroleum, which Kuwait purchased from the British group, Ultramar Company, in April.

Kuwait first sought foreign protection for its oil tankers early this year when Iran stepped up attacks against shipping associated with the emirate in retaliation for its support for Iraq in the Gulf war.

The emirate has arranged to put 11 of its 22-strong tanker fleet under the Stars and Stripes. It has also chartered three Soviet tankers and four from the British colony of Gibraltar.

Britain's Royal Navy deploys a four-ship task force known as the Armilla Patrol in the region to accompany British merchant vessels as far north as Bahrain.

Shipping sources said the increase in the number of British-flagged tankers would not necessarily strain Royal Navy resources because the tankers would not all be in the Gulf at the same time.

The British-registered tanker Gentle Breeze was attacked by Iranian gunboats in the northern Gulf last month, but Britain said it had no plans to increase its naval presence.

KOTC Chairman and Managing Director Abdul Fattah Al Bader meanwhile told a Kuwaiti newspaper the emirate's oil exports had not been affected by the seven-year Iran-Iraq war.

"Kuwait has exploited all available opportunities to continue exporting its oil without any reduction," Al Bader quoted him as saying.

He said KOTC made profits of more than two million dinars (\$7 million) in the fiscal year ending last June, but predicted lower profits this year due to higher costs for chartering and operating vessels.

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"We hope to hold similar exercises with Arab states overlooking the Mediterranean Sea to coordinate the safety of navigation," he said.

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## Egyptian Navy to buy U.S., Dutch minehunters

**ALEXANDRIA, Egypt (R)** — Egypt, anxious to keep its Red Sea waters and the Suez Canal clear of mines, has decided to buy U.S. and Dutch minehunters, Navy Commander Major-General Sharif Al Sadek has said.

He told a news conference marking the 20th anniversary of the sinking of the Israeli destroyer Eilat, that an agreement to this effect has been signed with the two countries.

Gen. Sadek, appointed only last Tuesday, gave no details of the numbers, types or dates for the delivery of the new vessels.

Egypt sought American, French and British assistance to clear its own Gulf of Suez and Red Sea waters of mines which threatened to disrupt navigation in the Suez Canal in July 1984. It blamed Libya for laying the mines.

Mines are also currently posing a major problem for ships in the Gulf as an offshoot of the Iran-Iraq war.

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## Afghan rebels confirm Iran stole Stingers

**PESHAWAR, Pakistan (AP)** — An Afghan resistance leader says Iran seized nine U.S.-made Stinger missiles in a border skirmish with Afghan guerrillas in May.

A U.S. diplomat said Sunday the statement tended to confirm a report circulating in Washington since Iran fired what appeared to be a Stinger at a U.S. helicopter in the Gulf on Oct. 8.

Yunis Khalis, head of one of the main Muslim parties fighting Kabul's Marxist government and Soviet troops, said Saturday that Iranian border guards seized ammunition and the advanced heat-seeking missiles when Afghan guerrillas strayed into Iranian territory in late May.

He said a five-truck convoy, trying to cross a swollen river in western Farah province, was "a few hundred metres" into Iran

when border guards tried to stop it.

The guerrillas mistook them for Afghan government troops and opened fire, killing one soldier, Khalis said through an interpreter.

When Iranian reinforcements arrived, the guerrillas tried to flee but only three trucks managed to plow through the mud and escape, he said. The remaining two trucks and ordnance were taken to the Iranian border town of Zahedan, Khalis said.

He said that when news of the incident arrived in Peshawar, the Iranian consulate assured him it would return the equipment but later renege.

"They offered us the rest of the weapons, but not the Stingers," he said.

Negotiations dragged until

Khalis refused an invitation to go to Tehran and make a deal. He said there have been long-standing differences between the Iranian government, which is Shi'ite Muslim, and his organisation, which is Sunni.

He said he also expected that Tehran would "call on us to join them against Iraq."

"Our leader was sure the differences could not be resolved," said Khalis' interpreter, and the issue was not settled.

Afghan insurgents have dramatically improved their air defences since they acquired Stingers and British-made Blowpipe surface-to-air rockets one year ago.

Western diplomats estimate that the guerrillas have shot down an average of one aircraft a day in 1987, forcing Soviet and

Afghan pilots to resort to high altitude bombing with reduced accuracy.

The Pentagon said an Iranian gunboat may have fired a Stinger at a U.S. Navy observation helicopter in the Gulf this month.

Armed helicopters rushed to the scene and fired back, sinking the gunboat and damaging others.

American officials said U.S. Navy teams found what resembled Stinger components aboard the surviving boats. At least three Iranians were reported to have died in the attack.

U.S. officials have conceded that guerrilla arms occasionally fall into foreign hands through trade or seizure, but have never publicly confirmed they are supplying the guerrillas with arms.

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## Syria pledges to help free Terry Waite

**LONDON (R)** — Syria has pledged to help free Church of England envoy Terry Waite, missing in Lebanon since Jan. 20, a church spokeswoman said on Sunday.

The spokeswoman said an envoy for Archbishop of Canterbury Robert Runcie visited Syria and Lebanon last week for talks seeking the release of Mr. Waite and other British hostages in Lebanon.

Envoy John Lytle cut short a Cyprus holiday after receiving a telex message from Syrian Defence Minister Mustafa Tlas inviting him to visit Damascus on Oct. 12.

Lytle had earlier sent a telex to Field Marshal Tlas requesting the visit.

When Lytle went to Damascus, Marshal Tlas arranged for him to visit Lebanon for one day on Oct. 14 and gave him "protection," the church spokeswoman said.

She declined to release any other details of Lytle's trip to Lebanon or whether he learned anything about Mr. Waite, saying only that the visit was "useful."

Lytle, who held two meetings with Marshal Tlas said he had no

doubt that the Syrian government would like to see the release of all the hostages and that Marshal Tlas assured him of his support.

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## UAE denounces ship attacks in Kuwait

**ABU DHABI (R)** — The United Arab Emirates (UAE), current chairman of the six-nation Gulf Cooperation Council (GCC), denounced on Sunday last week's missile attacks on tankers in Kuwaiti waters.

The Emirates News Agency (WAM) quoted a responsible Foreign Ministry source as saying the attacks "violate international law and constitute a serious escalation of the Iran-Iraq war."

Kuwait and U.S. officials have blamed Tehran for the attacks in which two tankers were hit on Thursday and Friday, but the UAE statement did not mention Iran by name.

It said the incidents threatened the security and stability of all the member states of the GCC — Kuwait, Saudi Arabia, Bahrain, Qatar, the UAE and Oman.

The statement said the UAE

fully supported Kuwait in defending its sovereignty and territorial waters, adding that the only way to safeguard the region was by ending the Gulf war on the basis of U.N. Security Council Resolution 598.

The GCC is an economic and defence grouping founded in 1981.

Meanwhile the American captain of the U.S.-flag tanker Sea Isle City, blinded when an Iranian missile slammed into its living quarters, is still under treatment at the intensive care unit of a Kuwaiti hospital, officials said.

Dr. Adnan Al Edan, deputy director of Al Adan Hospital, told Reuters on Sunday 50-year-old John Hunt's condition was stable and "hopefully in a couple of days he can move to the general surgery ward."

He said Hunt and a 35-year-old

Filipino sailor, Victorino Gonzaga, had been injured in both eyes in Friday's attack but declined to give details. Other hospital sources said on Saturday both had been blinded.

A third crewman, Italian first officer Filippo Tucci, was injured in the left eye while Chief Officer Robert Stanley of Britain suffered superficial burns, Dr. Edan said.

He said the eye injuries were caused by the pressure of the blast.

Three Filipinos and a Pakistani are also still in hospital but were not seriously injured and could be discharged as early as Monday, Dr. Edan said. Two Filipinos were discharged on Sunday.

A total of 18 of the 28-man crew were injured but only 11 needed hospital treatment.

The Mujahedeen Khalq organisation said its fighters also captured 108 troops in attacks on 30 army bases in the Marivan border area.

Marivan is a small settlement some 25 kilometres from the border due east of the Iraqi Kurdish town of Sulimaniyah, where Tehran has reported activity by anti-Baghdad Kurdish forces supported by Iran in the past.

The Baghdad-based Mujahedeen, in a telex to Reuters, said the Friday offensive was the biggest launched so far by the Mujahedeen-led National Liberation Army (NLA). It said it captured 16 bases and destroyed the rest.

There was no independent confirmation of the report.

It said NLA fighters temporarily seized an 80 square kilometre area, restoring Iranian defences.

The Iranians sent reinforcements, led by 30th Division Commander Col. Sharaf-ol-Din, but the NLA attacked and routed the force, the statement said.

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**Sharif Zaid meets British army chief:** General Sir Nigel Bagnall, chief of the General Staff of the British Armed Forces, met in Amman on Monday with Armed Forces Commander-in-Chief Field Marshal Zaid Ibn Shaker. Nothing was disclosed about the meeting, which the Jordan News Agency, Petra, said was attended by the British ambassador to Jordan, John Coles, Commander of the Royal Jordanian Air Force Major General Ihsan Shurdam and Army Chief of Staff Fathi Abu Taleb. Later, Sir Nigel was briefed on the development of the Jordanian Armed Forces and its duties. After the briefing, the distinguished guest was accompanied on a visit to the Martyrs' Monument, where he inspected different items on display inside the monument relating to the development of the Armed Forces and the Great Arab Revolt (Petra photo).

## Assad points to Jordan's need for teachers with higher degrees

AMMAN (Petra) — Minister of Higher Education Nassereddine Al Assad was quoted as saying that Jordan is in need of a great number of university graduates with Ph.D. and M.A. or M.Sc. degrees to replace those presently employed in the community colleges. In order to help support a solid base of knowledge and education in the Kingdom.

These graduates should raise the standard of the community colleges and should augment the number of teaching staff at Jordanian universities and research and scientific institutions. Dr. Assad said in a lecture given at the Jordan Intercontinental Hotel Sunday evening, entitled "Jordan's Education Policies."

The minister made it clear that the government will allow the establishment of private universities in the Kingdom in order to increase opportunities for students seeking higher education. Jordan's educational policy is linked to the social and economic changes and the needs of the

society, and should cater to the requirements of the present five-year development plan. Dr. Assad said. He also stressed that universities ought to link education with employment opportunities, and that wages and salaries should be commensurate with the job and not with the type of degree the graduate holds.

Referring to teachers at government and private schools in the Kingdom, the minister said that nearly 26 per cent of teachers at the secondary stage do not hold university degrees, and those without degrees at the preparatory level form nearly 74.4 per cent of the total number of Jordanian teachers. Jordan is particularly in need of graduates with higher degrees in religious subjects, Arabic, Arabic literature, sciences, humanities, public administration and law. Jordanian youth are in need of proper training in practical work, handicraft and skills required for jobs in various sectors and institutions. Dr. Assad noted.

In reference to the number of students completing secondary education, the minister said that the total number of school graduates in the past scholastic year amounted to 36,361, of whom 28,961 were from the East Bank. Of these students, 19,387 males and females had a 65 per cent or more average in the final examinations; 6,600 of them had been accepted by Jordanian institutions for higher studies, while nearly the same number enrolled for study abroad.

He said that the Ministry of Higher Education granted permits to 1,033 students for leaving the country to study abroad but, he said, these students had averages below standards acceptable for the local universities; therefore, no guarantees were given to them about recognition of their degrees. Dr. Assad said that at least 14,000 students joined community colleges in the new academic year; nearly 2,000 were not accepted due to their low grades.

## Social security programme has benefited 110,000 citizens in seven years — SSC chief

By Salameh B. Ne'matt  
Jordan Times Staff Reporter

AMMAN — The Social Security Corporation (SSC) has accumulated over JD 200 million from contributions of nearly 426,000 subscribers to Jordan's social security programme, SSC Director-General Mahdi Farhan announced Monday. The surplus liquidity funds are being employed to finance economic projects and for increasing the scope of social security services in the Kingdom.

Dr. Farhan told a press conference that 110,000 people have benefited from the social security programme in the past seven years, at a cost of JD 25 million. Speaking on the ninth anniversary of the establishment of the corporation, Dr. Farhan said that, by adopting a step-by-step approach, the corporation has been able to extend its social security programme to cover all interested citizens. The programme now covers disabilities, old age, job injuries, work-related diseases and death. Dr. Farhan said the corporation was studying plans for health insurance and unemployment coverage.

The SSC director-general said that the corporation's growth has been accelerating since its establishment in 1979, and that in last month alone, JD 700,000 in benefits have been paid by the corporation, compared to JD 227,000 in the same month last year.

He said that due to the fact that contributions by subscribers have far exceeded paid benefits, the corporation has been rechanneling surplus funds towards invest-

ments in economic projects in the Kingdom. He added that JD 20 million have been invested in the tourism sector and that there were other investments in the housing sector, public shareholding companies and industrial projects. The remaining funds were deposited in banks and financial institutions in the Kingdom. "The aim of these investments is to maintain the real value of subscribers' contributions over the years," Dr. Farhan said. He explained that due to inflation and the rise in the cost of living, the purchasing value of money declines. He said that by investing surplus funds in profit-generating projects, the corporation would be able to increase its benefits, such as pension salaries, to present and future subscribers, as well as expand the scope of services provided by the corporation.

Asked about the risk involved in the corporation's investments in financially-troubled companies, Dr. Farhan said that the SSC carries out exhaustive feasibility studies before committing funds to any proposed project.

However, he added that there is no such thing as 100 per cent guaranteed profit or a 100 per cent guaranteed safety.

According to Dr. Farhan, the SSC employs experts to make assessments of the corporations' financial operations on an annual basis, so as to regulate and optimize its financial policies.

By investing in economic projects, Dr. Farhan said, the corporation contributes to creating new job opportunities as well as preserving the jobs of people already employed. He said that in any investment, the corporation makes the potential of returning the invested capital is always guaranteed.

Dr. Farhan told the conference that last year, the corporation started covering Jordanian expatriates on a voluntary basis. This coverage includes old age pension, disabilities and death. He said that expatriate officials had already visited Saudi Arabia, Kuwait, the United Arab Emirates and Oman, to that purpose. He expressed hope that Jordanian expatriates would participate in the national programme.

Out of the total 426,000 subscribers to social security in Jordan, only 50,000 are women. The corporation now pays pension salaries to 3,133 retired subscribers and have compensated 1,200 families for the death of their working members.

Dr. Farhan said he was very optimistic about the success of the social security programme. Between September last year and this year, 49,000 people registered at the SSC — an average of 4,000 people a month.



Social Security Corporation Director-General Mahdi Farhan addresses a Monday press conference, in which he reviewed the corporation's achievements and future plans (Petra photo)

## Muasher heads team to industrial board meeting

AMMAN (Petra) — Minister of Industry, Trade and Supply Rajai Muasher left for Algiers on Monday as head of Jordan's delegation to the eighth ordinary meeting of the board of the Arab Organisation of Industrial Development, which is due to open tomorrow.

During its two-day meeting, the board will discuss a host of the organisation's activities, joint Arab industrial projects, and the promotion of Arab products. The results of the meeting will be submitted to the general organisation's conference.

The board will also review the financial committee's report, as well as an agreement between the organisation and Iraq on industrial schemes. In addition, it will elect a new director general for the organisation to succeed Mr. Hatem Abdul Rashid, who has been made minister of industry in Iraq.

Dr. Muasher is accompanied by his under secretary, Mr. Mohammad Saqqaf and Dr. Samir Umesh, director of industry at the Ministry of Industry, Trade and Supply.

## East German official, Bataineh exchange views

AMMAN (Petra) — Reiner Neumann, director of the Near and Middle East desk at the East German Foreign Ministry held talks here Monday with Dr. Nasser Bataineh, director of the Political Department at the Ministry of Foreign Affairs.

During the meeting, they discussed means for furthering Jordanian-East German relations. The two sides also exchanged views on disarmament and other international issues, in addition to the Gulf war and the implementation of United Nations Security Council Resolution 598.

The Middle East question and current efforts towards finding a solution to the problem through

an international conference were also discussed at the meeting, and the two sides presented identical views on these subjects, according to the Jordan News Agency, Petra.

The German official expressed appreciation for His Majesty King Hussein's balanced and wise policy aimed at healing rifts within the Arab World, as well as his continued endeavours towards establishing peace through an international conference in which all concerned parties should take part, Petra said.

The meeting was attended by senior Foreign Ministry officials and the East German non-resident ambassador to Jordan, Wolfgang Grabowski.

## Jordan, Chile discuss trade relations

AMMAN (Petra) — A Chilean trade delegation met on Monday with Amman Chamber of Commerce members. The two sides discussed possibilities for trade exchange between Jordan and Chile and opportunities for setting up trade fairs in both countries.

The chamber's members explained commercial activities carried out in Jordan, as well as the

development and progress of Jordanian products.

The Chilean delegation spoke about the prospects for the exportation of various Chilean goods to Jordan. In addition, the guest delegation extended an invitation to the members of the Amman Chamber of Commerce to visit Chile in order to view Chilean products and discuss greater cooperation.

## Hamzeh leaves for Paris to attend AIDS conference

AMMAN (J.T.) — Minister of Health Zaid Hamzeh leaves for Paris today as head of an Arab delegation to an international conference on Acquired Immune Deficiency Syndrome (AIDS), which will open during the week.

Dr. Hamzeh will submit a working paper on this subject covering proposals for increasing public awareness of AIDS and for stopping the spread of the disease.

Dr. Hamzeh was appointed chairman of the Arab committee to the conference during a meeting of Council of Arab Health Ministers held in Baghdad at the beginning of this month.

Meanwhile, the Jordanian Medical Association will be taking part in an international conference on AIDS and other sexually-transmitted diseases scheduled to be held in Cairo on Nov. 3.

On Sunday, officials from the Ministry of Industry, Trade and Supply met with the delegation and discussed prospects for economic cooperation and trade exchange between Jordan and Chile. In particular, they reviewed the possibility of setting up joint projects in the food industry sector. The Jordanian officials stressed the commercial importance of Jordan's location.

Dr. Hamzeh was appointed chairman of the Arab committee to the conference during a meeting of Council of Arab Health Ministers held in Baghdad at the beginning of this month.

## Rescue procedures exercise conducted

AMMAN (Petra) — An exercise on dealing with an air crash at the Queen Alia International Airport was conducted on Monday under the organisation of the Civil Aviation Authority (CAA).

The Armed Forces, the Ministry of Health, the Public Security Department, the Royal Medical Services, Royal Jordanian and a number of airlines were also involved in the exercise, which entailed evacuation of passengers and other emergency measures.

The exercise is an annual practice conducted by the airport authorities.

## U.S. navy destroys two Iranian platforms in Gulf; Tehran vows revenge

(Continued from page 1)

fighters were scrambled from the aircraft carrier *Ranger* in the northern Arabian Sea to keep watch over the operation.

Mr. Weinberger said Iran might have made "a tentative attempt" to put one warplane in the air, but did not follow through with that.

"The attack was carried out with highly professional skill and precision today and accomplished everything we had planned for it," he said.

Mr. Weinberger said the platform was armed with 23-mm anti-aircraft guns and 50-calibre machine guns but that no shots were fired by the Iranians.

The United States said no other countries were involved in the attack but that prior notice had been given to Britain, France, the Netherlands, Belgium, Italy, West Germany and Japan.

Hoffman said that the Iranian government and the governments of Gulf states had been informed after the attack began.

About 20 minutes before the attack began, the Defence Department said, repeated warnings were radioed to the oil platform in both Farsi and English over international distress frequencies.

"Rashadat, Rashadat. This is the U.S. navy. We will commence firing on your position at 1400 hours (local time) (1100 GMT). You have 20 minutes to evacuate the platform," the warnings said.

Gulf radio monitors said they later overheard an Iranian voice saying, "U.S. warship, U.S. warship, let me evacuate the platform before you shoot again."

tention of an "appropriate and measured" response to the tanker attack — an oil-related, Iranian facility in international waters, where civilian casualties would be at a minimum.

Mr. Reagan said the attack underscored American determination "to protect our ships and our interests against unprovoked attacks" and he called the attack a "lawful exercise of the right of self-defence."

Vice-President George Bush suggested Iran might strike back but warned that the United States was prepared to again attack Iranian targets.

IRNA quoted Kamal Kharrazi, head of Tehran's war information headquarters, as saying an unspecified number of Iranian "civilian crewmen" aboard the platforms had been wounded in the attack. He made no mention of any fatalities.

Mr. Bush, speaking to reporters as he and Crown Prince Abdullah of Saudi Arabia met privately, said he hoped that Iran's Ayatollah Khomeini, "irrational as he may be, will get the message."

Prince Abdullah said he believed that "what the United States has done is their responsibility as a superpower." But he declined to answer a question as to whether he approved of it.

Iran's President Ali Khamenei vowed Monday that his country would "definitely take decisive retaliatory action" for the U.S. attack, Tehran Radio reported.

Mr. Khamenei said on the radio after a meeting of the supreme defence council in Tehran that Iran "will not leave this American move unanswered. Reagan, by this action, has made a big mistake."

saying the Iranians would deliver "a crushing response for the criminal attack" on the platforms.

"The United States has entered a swamp from which it can in no way get out safely," Mr. Kharrazi was quoted as saying.

Mr. Kharrazi said that, in military terms, the U.S. attack was not significant because Iran's oil platforms in the Gulf were manned only by government technicians.

He did not elaborate. But the radio said the nine-member council, which decides Iran's military strategy in the war against Iraq, met for a special session after Monday's U.S. attack.

The radio also quoted an unidentified Foreign Ministry spokesman as saying: "American use of military force against the Iranian oil platforms is a clear and decisive aggression against Iran's territorial integrity... which will receive a decisive and appropriate answer at the right time."

The Reagan administration, he added, should not boast of "its crime" as a military feat.

White House spokesman Martin Fitzwater, briefing reporters on the raid, said gunfire from the four U.S. destroyers demolished "the two platforms at one location." He added: "They both collapsed."

Before Mr. Weinberger announced the U.S. action, shipping sources had reported that unidentified jets attacked three Iranian oil rigs in the Gulf.

and Friday in Kuwaiti waters. The 275,937-ton U.S.-owned Liberian flag tanker, the *Sungari*, sustained minor damage but the Sea Isle City's crew quarters were wrecked and 18 crew members, including the American captain, were injured.

The United States had been widely expected to retaliate against Iranian Silkworm missile batteries for the attacks.

Western diplomatic sources in the Gulf said the Sea Isle City had been hit by a Chinese-designed missile armed with an advanced radar guidance system and fired from Iraq's occupied Faou Peninsula, 100 kilometres away.

Before the U.S. attack Iran rejected allegations it was involved in the strike against the Sea Isle City. Tehran Radio quoted a war information spokesman as saying, "We have not accepted any responsibility for the attack on that ship. Whatever has happened is the natural consequence of America's actions in the Persian Gulf."

Hours before Monday's U.S. attack, U.S. military sources said explosives experts had found metal shards from Silkworm missiles aboard the Sea Isle City as well as the *Sungari*.

The sources, quoted by AP, said the physical evidence proved conclusively that the ships had been hit by the Chinese-made weapons, fired from Faou.

When asked why the United States had not chosen to attack the Silkworm missile sites, Mr. Weinberger said that the oil rig was an "appropriate" target and that the Chinese-made missiles, stationed on Faou and along the Strait of Hormuz, were mobile and were moved around often, thus making them difficult targets.

Defence officials, who asked not to be identified, said an air strike against the land-based missiles could result in U.S. pilots killed or captured.

In Moscow, the official Soviet news agency TASS denounced the attack as military adventurism which the Reagan administration hoped would deflect attention from the Iran-contra scandal but said it would not bring it political dividends.

The flare-up helped to send already-jittery stock markets into a tailspin. The price of gold hit its highest peak since early 1983 and the oil market recorded strong gains.

The TASS commentary gave no indication how the Soviet Union might respond to the U.S. attack in the Gulf.

Soviet leader Mikhail Gorbachev and Foreign Minister Eduard Shevardnadze abruptly left a parliamentary session earlier on Monday, causing diplomatic speculation that they were concerned with an urgent matter of foreign affairs.

Soviet officials have previously criticised the United States for sending naval forces into the Gulf, saying their presence serves to increase tension.

Moscow is officially neutral in the war between Iran and Iraq. It is a major arms supplier to Iraq but has also sought broader contacts with Iran in the last year.

"The United States has undertaken an act of armed aggression against Iran, the possibility of which has long been spoken of by Washington officials," TASS said.

## Floods leave wide, devastating trail of damage in valley region

By Caroline Faraj  
Special to the Jordan Times

AMMAN — The storm and flash floods that hit Jordan last Saturday left a trail of destruction, causing wide-scale damage in the central Jordan Valley region, particularly around South Shuneh, an agricultural area north of the Dead Sea.

At least 50 per cent of the banana crop that was being prepared for export in one district was completely destroyed, and hundreds of young trees were uprooted or damaged in the half-hour hail and rain downpour that caused the floods which ravaged the area, according to farmer and land owner Sultan Al Udwan.

This reporter was among a group of journalists visiting the Jordan Valley to inspect the damaged areas in the aftermath of the storm and to talk to farmers affected by the disaster.

According to Mr. Udwan, whose crops were severely damaged, nearly 40 families were rendered homeless following the flood, which caused extensive damage to homes and property, in addition to crops. He blamed the Jordan Valley Authority for its failure to maintain culverts and to keep canals open to draw away the water that rushed down into the valley.

In some cases, farmers said floods caused damage to up to 100 per cent of their crops and destroyed many equipment and pumps.

In one area, we saw a number of homes completely destroyed and were told that the displaced farmers and their families had to be sheltered by friends and relatives in other areas.

A spokesman for the Jofeh cooperative society said that hundreds of dunums planted with citrus fruit trees were damaged in the floods, and that the society distributed blankets and food



A Jordan Valley farmer expresses sadness over the loss of his crops and the destruction of his property due to the floods



An example of vegetables damaged by the floods

supplies to farmers who were rendered homeless.

In fact, vast areas in Katrein and Jofeh were among the most affected areas. There, we saw greenhouses and crops covered with plastic sheets in hundreds of dunums almost completely destroyed.

We conducted a moving interview with Umm Ibrahim Al Ajjouri, a mother of seven children and wife of a small farmer. She said that her two-room house was

destroyed, and that they lost all their belongings and furniture. Other homes, we were told, had been inundated with water, and children had to be pulled to safety through the windows.

Towards the end of the tour, farmers begged that journalists help them to request that their loans from the Jordan Cooperative Organisation be rescheduled and the interest on these loans reduced, in view of the situation.



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## Credibility at stake

THE ATTACK launched yesterday by the U.S. Navy against Iranian targets in the Gulf came as a limited, but necessary, response to the Iranian missile attack on a U.S.-flagged Kuwaiti tanker on Oct. 16. In view of Iran's deliberate provocation of the United States and its attacks on non-belligerent Arab neighbours, the Tehran leadership should have expected nothing less to happen in the way of mounted tension and confrontation.

The U.S.-Iranian confrontation in the Gulf was anticipated earlier this month when armed engagements took place between American warships and Iranian speedboats, some of which were caught sowing mines in international waters. It was only expected, then, that if Iran continued to threaten international navigation in Gulf waters and did not halt its provocation of U.S. forces as well as neighbouring Gulf states, such a retaliation as yesterday's would be the logical next step. Limited as yesterday's U.S. retaliation indeed was, we should not ignore the fact that the prospects for a larger conflict in the Gulf are greater than at any time before. Such a development, with all its unfavourable repercussions, including the internationalisation and expansion of the conflict, may prove to be the only choice available for a country like the United States, as well as other states seeking an end to the Gulf war in the background of Iran's intransigence. For in the area of diplomacy, no stone was left unturned to seek a peaceful end to the war. From the United Nations to the Organisation of Islamic Conference to the Non-Aligned Movement to bilateral mediation, diplomatic attempts to end the hostilities have proved to be no more than an exercise in futility.

Yesterday's American bombing of Iranian oil facilities might have aimed at demonstrating to the Iranians that U.S. patience with Iran was running out. But it also must have been a question of credibility for the Americans. Had the United States refrained from responding to Iranian provocations, it would have made a laughing stock of the whole American armada stationed in the Gulf. After all, what was the purpose of hoisting the American flag on Kuwaiti tankers? The scope and purview of the U.S. concern for the principle of freedom of navigation in the Gulf was put to a real test when the U.S.-flagged Kuwaiti tanker was attacked by an Iranian missile. The U.S. reaction means that Washington has decided not to let its credibility suffer any more losses. After Iranate, it is difficult to see how Washington could afford it.

## ARABIC PRESS EDITORIALS

### Al Ra'i: Congratulations

WE send our congratulations to the newly elected director general of UNESCO Mr. Federico Mayor Zaragoza and see in his election a new step on UNESCO's path towards providing services to mankind. We also respect the decision of the world community and the Afro-Asian group to elect Mr. Mayor following a bitter debate at UNESCO's meetings in Paris. The election of Mr. Mayor following the withdrawal of Dr. Mahtab M'bow from the contest and the acceptance of Mr. Mayor as new UNESCO director was an exercise of democracy within the UNESCO establishment, and a civilised behaviour on the part of the delegates which deserves due praise. We sincerely hope that UNESCO, which has been always neutral and objective in dealing with various issues, would continue to follow the same course of policy and to refuse all forms of blackmail that could be exercised against its executive board. Washington's declaration that despite the change of UNESCO's director it would not return to the organisation means that the presence of Mr. M'bow at the head of UNESCO was not the problem that caused the U.S. to withdraw. It is clear now that Washington's withdrawal was in protest against UNESCO's neutrality and its refusal to succumb to blackmail and pressure.

### Al Dustour: Inviting Arab leaders

AS the time for the extraordinary summit meeting approaches, King Hussein's envoys continue their tour of Arab capitals delivering messages containing formal invitations for Arab leaders to take part in the coming meeting in Amman. The prevailing opportune situation in the Arab World and the improvement in relations among Arab countries is a real cause for satisfaction, and augurs well for the outcome of the coming meeting. A favourable atmosphere at the summit is bound to yield positive results and constructive steps towards safeguarding Arab interests. Jordan has been exerting strenuous efforts for the sake of making the coming summit a real success and fulfilling the aspirations of the Arab masses. For this to happen, all side differences and disputes should end, and all misunderstandings must be shelved for the sake of serving the common causes. The coming summit looks to be the most important event in the Arab World in view of the serious developments in the Middle East and the Gulf regions are witnessing at the moment. We look to the coming summit with hope, and we believe that the meeting of Arab leaders around one table will usher in a new stage in inter-Arab relations and open a new chapter in constructive work that would benefit all Arab countries.

### Sawt Al Shaab: Shultz fails

DURING his visit to Israel, U.S. Secretary of State George Shultz came to realise the differences between the Likud and Labour parties in the present coalition government on the idea of an international conference. But Shultz proved unable so far to criticise Israel's intransigence and its reluctance to take steps towards a lasting settlement for the Middle East problem. Shultz proved also unable to take any step towards changing Washington's own position with regard to the proposed conference. If any change in Israel's position is to take place it must be instigated by Washington and if Shultz's present tour of the region is to succeed it should be based on a solid and practical plan for ending the Arab-Israeli conflict. Israel believes that peace is harmful to its existence, and therefore continues to carry out plans that run contrary to the course of peace. Therefore, Washington should free itself from Israel's formula and from Israeli allegations that its security is threatened and that it requires more weapons to protect itself. Washington should take a more practical and positive stand with regard to the problem, especially as it realises too well the Arab countries' position and their endeavours to implement Security Council Resolution 242 that seeks to establish peace in the region.

# The struggle for food security in the Middle East

By Hugh Davies

HOPES for food self-sufficiency for the Middle East are foundering on the triple obstacle of commodity food surpluses, subsidised production in exporting countries and the blow dealt to the region's development drive by the oil revenue crash.

New estimates prepared by the U.S. Department of Agriculture (USDA) show the Middle East's dependence on food imports is again on the rise. In value terms, agricultural imports of 20 Middle East countries may reach a total \$30,000 million in 1987, compared with \$27,000 million — equivalent to 30 per cent of regional export earnings — one year earlier.

The dream of a generation of Middle East planners of achieving regional food security is evaporating amid evidence that such a programme is too expensive and essentially unviable. Instead, countries continue to rely on a hand-to-mouth policy of buying food when required on the world market.

USDA says grain imports will total 48 million tonnes in 1987, more than double the amount imported by the Soviet Union.

Despite some impressive achievements in raising food production in several states, notably Saudi Arabian wheat production, it is now widely recognised that Middle East food self-sufficiency is unlikely ever to be achieved except in some minor commodities.

### Heavy subsidies

No Middle East state has the

Makeshift Much of the grain stored in

resources to match the Saudi grain production subsidies policy, which involves paying guaranteed purchase prices of \$533 a tonne for wheat and \$267 a tonne for barley. It has been estimated that in 1987 Saudi Arabia will pay farmers more than \$1,300 million for a wheat harvest of 2.5 million tonnes, which it could have bought on the world market for less than \$250 million.

Most Middle East states have continued to meet their grain shortfalls by relying on the world market. Even in Saudi Arabia, where much has been made of the increase in wheat production, \$4,600 million was spent on food imports in 1986, making it easily the region's largest importer.

The cost of increasing domestic production is high and the political security afforded by self-sufficiency or strategic stocks has proved too costly for most states.

While concentrating on trimming internal food subsidies and increasing the role of private farmers, USDA says Egypt has allowed food stocks to fall to dangerously low levels. Stocks represented 17 per cent of utilisation in 1980. By 1987, they were down to 4.5 per cent of the 9 million tonnes of grain used.

Egypt's 400,000 tonnes of modern grain storage capacity is soon to be augmented through a U.S. Agency for International Development (USAID) agreement. Silos will be built on the Red Sea coast and at Alexandria in return for Egyptian purchases of surplus American grain in the U.S. Export Enhancement Programme.

Egypt in the early 1980s, as in many countries in the region, was kept in makeshift units in the desert. There is now a considerable drive throughout the region to improve storage, although this is aimed at increasing efficiency rather than holding building strategic stocks.

USDA estimates that contracts worth \$600 million - 1,000 million will be offered in 1988 for food storage facilities throughout the region. More than \$500 million worth are expected to be signed in 1987.

## The Middle East grain stores

SIGNIFICANT food reserves are available only in Saudi Arabia. Iran and Iraq, Saudi Arabia has built up more than 4.5 million tonnes of grain storage capacity, largely to cope with the subsidy-led growth in wheat output rather than as a strategic regional reserve. The kingdom also has 200,000 tonnes of cold storage capacity for livestock and dairy produce — commodities that are subject to supply fluctuations.

Iran has the capacity to store more than 4 million tonnes of grain. Much of the capacity is new, built in response to war conditions and also to its much improved harvest, which is expected to exceed 7 million tonnes again this year. Turkish contractors have built much of the new capacity on the back of an oil barter deal.

Iraq, which is highly dependent on grain supplies through Syria and Turkey, has also had to build up its storage to cope with the uncertainties of the Gulf war. It has 1.5 million tonnes of storage capacity, mostly new and built to high standards.

Down the Gulf, Oman has particularly good facilities and sometimes stores grain on contract for the UAE. In addition to 60,000 tonnes of grain stores, Oman's Public Authority for Marketing Agricultural Produce is building 18 cold storage collection and distribution centres. By contrast, the UAE, like Kuwait and Jordan, is growing more dependent on Saudi Arabia for both storage and supply.

In 1985, the GCC commissioned a study from the World Bank and several private consultants into the cost of setting up an organisation to control the storage of up to 10-15 months' strategic food reserves for members. The study concluded that the scheme — costing at several billion dollars — was not worthwhile, given the many transshipment points for GCC imports and the reduced likelihood of a grain embargo following the failure of the U.S. embargo of the Soviet Union in 1979. Any serious decision on these findings were pre-empted by the oil price collapse, and plans for the organisation were shelved.

Many governments in the region are increasing investment in agriculture and showing greater flexibility in their agricultural policies. But food import bills are still likely to increase as populations grow and tastes become more expensive. USDA estimates they will total about \$30,000 million in 1987. Without low world food prices and domestic cutbacks caused by foreign exchange shortages, the estimated figure might have been much higher.

The kind of storage capacities that would hold a strategic reserve are not feasible for most Middle East states, mainly on cost grounds. Instead, efforts have been made to spread grain purchases over a large number of producers to reduce dependence.

Continuing high import bills will keep up the pressure to increase food production in all areas. But with the region's population expected to increase from 215 million in 1990 to 279 million by 2000, demand for all staple crops can be expected to grow rapidly for the rest of the century.

A study for the Washington-based International Food Policy Research Institute by Middle East agronomist Nabil Khaldi predicts that the gap between supply and demand will widen from 17 million tonnes to 31.4 million tonnes between 1980-90, and will reach 52 million tonnes by 2000.

In its 1986 report Towards 2000, the U.N. Food and Agriculture Organisation (FAO) predicts demand for cereals will increase by 19 per cent by 2000. Rises of 49 per cent for sugar, 72 per cent

for meat and 90 per cent for eggs are also forecast.

While the price of strategic food commodities, such as fodder grain, remains low, it would seem wiser for Middle East states to buy on the burgeoning world market, rather than attempt to boost domestic production, at much greater cost.

However, set-aside schemes in the U.S. and similar production curbs in Europe cannot be viewed with great relish by Middle East grain buyers, who benefit considerably from continued global overproduction. The Middle East economies will remain dependent on grain imports for many years to come. Any firming of prices is bound to be a source of worry as it would only emphasise how far from self-sufficiency they are — Middle East Economic Digest, London.

### Grain prices in 1987 (\$ a tonne)

Saudi guaranteed price  
Milling wheat 533  
Barley 267

Jordanian guaranteed price  
Milling wheat 417

Market price  
Milling wheat 75-100 fob  
Feed wheat 60-80 fob  
Barley 60-65 fob  
Rice (Thai grade B) 250-300 fob

Prices differ from quoted export prices as they are covered by subsidy programmes from the main exporters. The price obtained varies considerably, depending on the purchasing country and its geopolitical position.

# Deng leaves legacy of great change, daunting problems

By Jim Abrams

The Associated Press

BEIJING — Deng Xiaoping will take a step back from centre stage in Chinese politics this month, leaving his successors a nation that has prospered under his innovations but is still wracked by social and economic problems.

Deng, 83, is expected to give up his seat on the five-man politburo standing committee, the summit of power in China, and relinquish at least one other post when the 13th national Communist Party Congress convenes Oct. 25.

Deng will continue to exert strong influence over policy. But he seems intent on easing his own responsibilities, and, as part of the theme of rejuvenation to dominate the congress, easing out his fellow aging revolutionaries who have hindered his far-reaching economic and political reforms as well.

Those reforms, now being pursued to various degrees by the Soviet Union and other Socialist nations, have brought new vigour to this nation of 1 billion by replacing unwieldy central planning with production according to market demand.

They have also given the Chinese people a respite from decades of political upheaval caused by the egalitarian visions of Mao Tse-Tung.

Since Deng, a prime victim of Mao's 1966-76 cultural revolution, rose to power at the end of the 1970s, China has doubled its

gross national product.

Since 1980, per capita income in rural areas, the prime beneficiaries of Deng's market-oriented policies, has risen from 134 to 424 yuan (\$36 to \$115) a year. In cities, income per person jumped from 316 to 828 yuan (\$85 to \$223).

Deng dismantled the communes, replacing them with a system in which 98 per cent of farm households have contracts with the state and are free to grow whatever they want beyond those contracts.

They sell produce to 67,000 free markets more than half the food in some cities and offer a wide selection of items in a nation that once subsisted on cabbage through the winter months.

In pre-Deng days, the "four major items" were a bike, sewing machine, watch and transistor radio. Now, the upwardly mobile Chinese family demands a refrigerator, colour TV, washing machine and stereo.

In industry, state-monopolised products have been reduced from 256 to 26 and the number of goods controlled by the ministry of commerce from 188 to 22. More than half of state-owned enterprises have implemented some kind of responsibility system where the manager has the authority to make decisions on production, personnel changes and wages.

Deng's government has managed to move 70 million of the 800 million people in the country

side off the farms and into rural industries, relieving the strains of excess farm population and creating a vital new force in the economy.

It has also encouraged the activities of 18 million private entrepreneurs running street-side food stalls, repair shops, small restaurants and hotels.

The government is trying out such capitalist institutions as stock markets, private housing, labour contracts, land sales, leasing and semi-autonomous banks.

The party congress will pledge absolute support for and celebrate the successes of this grand experiment. But it is also certain to touch on some of the enormous problems the reforms have ignored or created.

China remains one of the poorest nations on earth. Although 400 million people have escaped poverty since 1979, 100 million still live below the poverty line set at less than 200 yuan (\$54) a person annually. About 40 million still lack adequate food and clothing.

Wang Xingbang, an agriculture leader in western Gansu Province, one of China's poorest, said in an interview that the barren area has had 21 droughts in the last 28 years, but only one-tenth of the land is irrigated.

His goals are modest — "in the past three years we stopped the human mistakes of cutting trees and overcultivation. In the next five we hope to solve the food and clothing problem."

A quarter of urban residents

have inadequate housing, even by Chinese standards. Thirty per cent have no kitchens, 27 per cent no running water and two-thirds are without private toilets.

The government last year said education will be compulsory through the ninth grade, but acknowledged that it may take decades before all Chinese receive a basic education. The education ministry puts the number of illiterates at 200 million.

Partly as a result of the reforms, grain production has stagnated, a major worry in a nation where tens of thousands starved to death only 25 years ago. Farmers can now make more growing vegetables for private markets than selling grain to the state, and the nation is losing 500,000 hectares of land every year to construction, desertification and misuse.

Speakers at the congress will rail against the scourges of bureaucracy and corruption endemic to Chinese life.

The People's Daily (Renmin Ribao), mouthpiece of the party, complained this summer that "the public servants have made

themselves into masters ... They even turn the power they serve into an instrument to extort and make things difficult for the peasants."

Cases of economic crime, many involving local officials, were up 55 per cent last year to 78,000. The state auditing administration said in June that "violations of economic laws and regulations, corruption, fraud and waste have been up to such a serious degree that they are affecting economic reforms."

The authoritative Beijing Review said in September that 450 lives had been lost and 660 million yuan (\$180 million) squandered as a result of bureaucratic negligence in 1987. The forestry minister was sacked in June for his incompetent handling of a catastrophic forest fire that killed 193.

The official press reports cases such as the factory that had to get seals from 860 different government offices before importing \$2 million worth of equipment. The "back door," or personal contacts, is often the only way to get theatre tickets, an apartment, a

new refrigerator or a passport.

Deng has made progress in introducing a consistent legal system, but abuses abound. The supreme people's procuratorate, or prosecutor's office, said there were 2,000 cases of human rights violations through June, up 13 per cent, including extracting confessions by torture, illegal custody and false accusations. But ultimate power remains with the party, and appeals for more political rights, such as occurred in last winter's pro-democracy student demonstrations, are quickly put down with pronouncements that Western-style democracy has no place in Socialist China.

Premier and acting party leader Zhao Ziyang, in a recent interview with the American television network NBC emphasised that "if there were no Socialist system, there would be no stability and unity in the country and the country would be in havoc."

But China's system, which it now calls "the initial stage of Socialism," is certain to face further stresses as Deng's reforms and the open door policy mature.

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# 'Deregulation of aviation industry democratises air travel; regionalisation is key to Third World airlines' success'

By Ali Ghandour

The following is the text of a speech, delivered by Mr. Ghandour, chairman of the board and Chief Executive Officer of Royal Jordanian Airlines to the second annual transportation conference (airlines, railroads, trucking and shipping) which took place in Washington Oct. 7-9, 1987.

Mr. Chairman, Ladies and Gentlemen,

THANK you very much for inviting me to be your principal speaker today. It is a great honour that I could not decline and a splendid opportunity that I did not wish to miss. Moreover, it is a tribute to the aviation industry to which I belong and to Jordan the country that I represent. I am exceedingly grateful to Salomon Brothers, the doyen of investment banking worldwide, for having included the Third World in your agenda. We have been ignored for too long, and Salomon Brothers' worthy initiative sets the example and the pace for similar great institutions to follow suit. In our pursuit of world stability, peace and prosperity we must perforce address the issues at hand within a global context.

I am immensely pleased to be in the company of distinguished men and women, and I am dazzled and dazed by such great display of financial and brain power. I also enjoy the look of radiant faces and as anyone might expect or suspect we are basking in the glory of a 5-year long economic growth and record-breaking stock markets in New York, London, Tokyo, Paris and Madrid to name only a few. I share your enthusiasm and your optimism and I am fortunate to be speaking to you at this time and from a vantage point too.

International air transport is a dynamic, complex and volatile system. It has become volatile since U.S. deregulation in 1978, but shows signs of settling down notwithstanding the new challenges that are now being presented in fields other than those traditional ones of capacity limitation, frequency determination and fare setting which constraints have been eliminated in some major theatres of operation and in the process of fading in others.

I wish to point out that it will be difficult to look into the present and future without undertaking a rational assessment of the past for many of the actions which are the subject of debate today trace their origins to the time the international aviation industry was in its infancy. I assure you that there is neither shame nor guilt in resurrecting the past for all people within and outside the industry have good reason to be proud of it as at various times it has served the world community well.

It will be recalled that towards the end of the Second World War an international conference was convened in Chicago, at the invitation of the United States, to formulate a universal international air transport policy for international travel and commerce. As might have been expected a conflict of interests had arisen in which the major contending parties were the United States and Britain representing the forces of liberalism and regulation, respectively, each for reasons of their own. The United States wanted relatively complete competitive freedom. The United Kingdom, on the other hand, taking due cognizance of the dominant position of the United States in international civil aviation feared a domineering role for the Americans in the post-war years and wanted to set up an international agency to control capacity, frequency and fares. The routes were to be assigned through bilateral agreements.

The final outcome of the Chicago Convention was "the Chicago Convention," which is rightly hailed as a milestone in the annals of international civil aviation, but since the conference did not result in a multilateral solution to the problems of deciding on a means of exchanging commercial rights, it became necessary for countries desiring air service between their territories to agree to exchange commercial air rights through bilateral negotiations. Representatives from Great Britain and the United States met in Bermuda in 1946 to exchange operating rights between the two nations. The Bermuda agreement resulted in the famous "five freedoms" of the air which set the pattern for dealing in civil aviation amongst sovereign states. So it came to pass that in 1946 the United States obtained satisfaction on the liberalisation of capacities and gave way on fares.

It is obvious that the United States has reluctantly compromised its principles of laissez-faire in the interests of coming to terms with the rest of the world. The United States has been charged erroneously I think, that its drive for a deregulated aviation environment in the post-war years stemmed not as much from its

adherence to the principles of free trade but because it had singularly emerged from the war well equipped with the necessary aircraft, experience and finance to dominate. One has only to look at the long history and record of U.S. anti-trust legislation and enforcement — to give the lie to such a proposition. The American attitude has always been in sharp contrast with the abstruse thinking of the British. It is perhaps worth recalling that negotiations for the North Atlantic route, begun as early as 1929, had resulted in preliminary agreements to offer service twice a week between the United States and England. However, the British insisted that Pan American could not offer the service until such time that a British carrier could also offer similar service. Since the British did not possess a commercial aircraft capable of flying the North Atlantic, service was delayed. (This happened at a time when the memory of Adam Smith was very much alive and respectable and his book, "The Wealth of Nations," was prescribed reading in political economy at British universities, but British mercantilism had overshadowed good common sense).

At this juncture, it is well to remember that while the exchange of international traffic rights of commercial civil aviation and regulation of capacities and frequencies was left to Bermuda-type agreements, the function of setting rates on international routes was vested in IATA, our trade association, which was formally established in Havana in 1945. There were two most important provisions in the setting of fares: (1) A proposed tariff had to be approved unanimously by all the members, and (2) the approved tariff was still subject to the approval of the aeronautical agency of each of the member nations that would be affected.

IATA's multilateral system for fare setting in the immediate post-war years worked well and was not challenged. The level of fares had not as yet become an issue and was not considered as a constraint to the development of the air travel market. There were other factors at play: The state-of-the-art in aircraft manufacturing had not developed to its full potential as we know it today, balance of payments problems for the greater part of the world resulting in foreign exchange controls which impeded international travel, and low levels of economic activity and well-being. The air travel market then catered for business and leisure travellers who had been insensitive to price. The Americans dominated the leisure market because they were at the time the only people who could afford to travel without restrictions and were attracted to various parts of the world by a low general level of prices and exceptionally favourable exchange rates to the dollar. Within these given parameters it was obvious, as industry sources claimed, that fares were agreed upon multilaterally with an eye on cost rather than on growth. It is open to question as to whether fares were in the final analysis cost-related because it begot the question as to whose cost and what cost. I had argued at the time that in spite of the elaborate machinery which existed for the purpose, fares were set by rule-of-thumb taking into account the views and objections of all parties concerned. Consequently, fares were determined subjectively and ended up higher than they would otherwise have obtained under a more competitive environment.

Paradoxically enough, everybody seemed to be quite happy. The least efficient carriers felt comfortable with a fare which they thought afforded them protection and least-cost carriers stood up to reap undue gains. Little wonder that the airlines felt the friendly skies of the world at 50 per cent load factors and felt complacent. It might not have occurred to them that they were flying their aircraft half-empty but fuel was selling at 13 cents per U.S. gallon and consumerism had not raised its head. Multilateralism for all its convenience spawned protectionism indiscriminately and without paying due regard to the respective properties of dynamic and stagnant markets. There was no talk of impropriety of IATA's actions in this respect. After all, as I had earlier mentioned, the governments concerned unwittingly colluded to endorse the measures so taken.

In the meantime the world scene changed and has been changing. The economies of Western Europe, thanks to the Marshall Plan which celebrates its 40th anniversary this year, recovered and became buoyant. So did Japan. The so-called economically backward countries of the world had become the developing nations and the beneficiaries, in a good number of cases, of newly discovered wealth. Travel ceased to be the prerogative of the American people. And the advent of new technology in aviation, jet propulsion to be precise, coupled with rising standards of living in the world, revolutionised the international air travel market. Healthy rates of growth, approximating to 15 per cent per annum at times, were claimed and the future seemed both promising and reassuring. The market looked good and insatiable which rendered it possible for the supplementals, the non-skeks, to make their all-too-familiar inroads. They operated at 90 per cent as opposed to 50 per cent load factors for the scheduled carriers and made money. While it is true that they operated from a vantage point unburdened with the usual overheads of the regulars they demonstrated beyond the shadow of any doubt that, contrary to widely-held belief, the demand for international air transportation is relatively price elastic. This implies that a proportional decrease in fares will lead to a larger proportional increase in traffic, resulting in increased airline revenues. The arguments regarding the economic health of the industry under "competitive fares" were powerful and persuasive and must have readily appealed to the ethos of the American government which, in any case, was the advocate for, if not the champion of, liberalism in economic matters. The U.S. administration was under pressure to deregulate domestically and it did by the Aviation Act of 1978. A litany of successes have since been claimed as a result and the rest of the world peacefully coexisted with the American domestic experiment for one did not threaten the other and the two worlds were not set on a collision course. But there were the cynics amongst us who were not impressed and thought that the American success was riding high on the wave of an economic boom and that they better adopt an attitude of "wait and see."

I would like to mention at this point that the pendulum of fortune and misfortune for our industry swings with booms and recessions, respectively, and that to my mind even the managed economies of the world have not been able to tame the economic cycles which result in the upsurge and downturn in the level of economic activity of which air transport forms an integral part but has no direct control over it.

petition in various industries is unassailable, I do not foresee the U.S. retracting back towards regulation. In Europe the reaction to the extra-territoriality of U.S. deregulation was one of vacillation. From cold to warm to lukewarm. In their initial hostile reaction which was eventually toned down by a sense of pragmatism, the European airlines had not realised, nor did they wish to admit, that the competitive provisions of the Treaty of Rome applied to civil air transport too. In the process, the Europeans sought — and achieved — a *modus vivendi* which led in a piecemeal fashion to a liberalised environment starting with the U.K.-Holland air agreement. The trend is somewhat being threatened now because of (a) fear of U.S. domina-

tion and (b) intra-European considerations whereby already well-entrenched European carriers seem to resist encroachment. In my view, the Europeans are in both instances fighting a rear-guard action. The trend towards liberalisation may become subject to delaying tactics, but liberalisation itself has become a strategic objective and will in the end prevail. The trend towards privatisation in Europe will provide an added impetus to an expanding liberalised aviation environment. Trans-national interdependence is beyond question, and collaborative efforts by Europe's smaller airlines such as the Sabena/SAS/Finnair discussions, are already in evidence. In Europe, because of necessity, the trend may be to cross-border amalgamations, collaborations and alliances. While Europe may be seen as poised against the United States and vice versa and in my opinion unjustifiably so, the industry is poised to enter the next consolidation phase — namely, global airline mergers. And in America it is strongly believed that in the near future one or more U.S. airlines will attempt to acquire foreign airlines, especially because many are privately held. I do not think that the Europeans, though capable, will be able to return the compliment because there is little, if any, chance of the U.S. Aviation Act being amended to permit foreign ownership beyond the 25 per cent that is currently allowed.

The Third World, on the other hand, is at cross-roads. The role of developing countries in international air transport cannot be overlooked notwithstanding the fact that Third World countries continue to be plagued by financial woes and, in many instances, internal strife and inter-country conflicts of unprecedented and forbidding magnitude which sap resources and hinder development. The West cannot afford to ignore the Third World itself, whose 127 nations contain 80 per cent of the earth's 5 billion people. In a global context, the well-being of Third World countries is complementary to that of Western societies in the worthy pursuit of stability, expanded trade and increased business opportunities. At the same time, they cannot within their own territory be viewed in a vacuum apart from the rest of the economy but as part of one whole. Except for the rich nations, the OPEC group,

they do share some common characteristics: They are essentially primary producing countries and the terms of trade have historically shifted against them. Today we are witnessing a sharp fall in international commodity prices and Third World indebtedness, varying from country to country, has become of major concern. Economic priorities are perforce being re-examined and re-established and consequently the national carriers whose formation by the newly-emancipated countries of the world in the aftermath of World War II as the symbol of sovereignty and the attainment of nationhood will not escape close scrutiny. Furthermore it is inconceivable that flag carriers that belong to developing countries which come down hard on the issues of human rights can expect to refurbish abroad an image that has been tarnished at home. In such circumstances, the prestige cliché which has been blown out of proportion can be put to rest. Developing nations' airlines are in a dilemma: What role do they envisage for themselves and how to cope in an increasingly competitive environment?

protection that is sought. But this will be at the expense of market development. High fares will not stimulate the market and the resulting low load factors, being reflected in inadequate cash flows, will not sustain a viable and efficient operation. While I recognise that route rights and fare-setting are not the final word, governments of Third World countries have not been very helpful to their national carriers. The airlines in the great majority of cases are state-owned and have to succumb to bureaucratic parties. In many instances, they are crippled before they could start to walk. Such handicaps include undercapitalisation, ill-defined objectives, inadequately trained staff and ambiguous government/carer relationship.

Because of initially feeble capital structures and an agonising debt-equity ratio exceeding 3 to 1, many airlines find themselves unable to cope with cyclical downturns in the industry. While leasing of aircraft instead of outright purchase has become in vogue, the catchword remains "cashflow" which is central to covering the expenses arising from the operation. It is not surprising that in such circumstances developing nations' airlines find themselves unable to modernise the various facets of airline operation to cope with interna-

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The paradox is that while farm policies in various parts of the world are allowed to make a mockery of the marketplace, we are not only left to fend for ourselves which is fair enough, but we are subjected by our own governments to humiliating user

charges that place great and unnecessary constraints on air travel and impede the development of ancillary and supporting services. In this context, I would like to see consumer protection groups demanding that the tax on air travel be used for the benefit of air travel so that the airline operation in its various complementary stages contributes to the success of one whole.

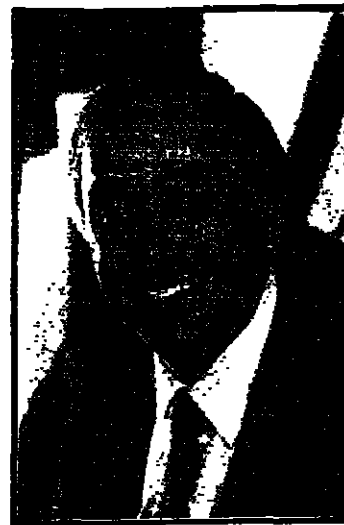
Consumer groups have been demanding an improved airline product, but they need to direct their attention and energies to demanding an improved aeronautical infrastructure — of air traffic control, runways, gates, terminals and airports to match phenomenal traffic growth. In the U.S. the longer-term goal is a new system of airports. "We have a real problem with new airports," observes Bill Jackson of the American Transport Association. "It is 14 years since Dallas-Fort Worth was opened," and the only city anywhere close to constructing a new airport is Denver. Yet most industry experts believe that between 10 and 16 new airports will be required over the next decade to support an annual passenger load anticipated to rise to 660 million by 1995.

In the meantime I believe that concerted industry efforts, insofar as the demand for the airline product is concerned, can help alleviate the present situation and establish new trends hitherto unknown. The airline industry is subjected to the vagaries of seasonal travel which we have not been able to cope with, let alone tame, and it is a common thing that U.S. travellers invariably wish to be back home by Labour Day. I think it was about time that we closely examined the behavioural attitudes of the travelling public with a view to staggering air travel around the year which will not only help alleviate congestion at airports and hotels, etc., but also contribute to better airline economics of operation. Obviously, travellers, both actual and potential, have to be properly motivated and sufficiently lured to alter their consumption habits. This really calls for the establishment of an international airline marketing board whose objective will be primarily to promote the airline product on an industry basis. Such boards have existed, and do exist, for several industries on a national basis in many countries. Our world is full of diversity and can provide the opportunities that are needed to induce a gradual change in the public's pattern of consumption. These opportunities need only to be exploited in a professional way.

Finally, I do hope that my overview of the airline industry that I presented to you today contributes to a greater understanding of the issues that face us. I am only too aware that our system is not perfect but perfectible and I think it is incumbent upon us to continue and improve it.

International air transport has had a civilising influence amongst the peoples of the world. In Sir Winston Churchill's words, "Only when civilisation reign in any country... the traditions of the past are cherished, and the inheritance bequeathed to us by former wise or valiant men becomes a rich estate to be enjoyed and used by all."

Thank you.



I have always been an ardent supporter of U.S. deregulation

tion and (b) intra-European considerations whereby already well-entrenched European carriers seem to resist encroachment. In my view, the Europeans are in both instances fighting a rear-guard action. The trend towards liberalisation may become subject to delaying tactics, but liberalisation itself has become a strategic objective and will in the end prevail. The trend towards privatisation in Europe will provide an added impetus to an expanding liberalised aviation environment. Trans-national interdependence is beyond question, and collaborative efforts by Europe's smaller airlines such as the Sabena/SAS/Finnair discussions, are already in evidence. In Europe, because of necessity, the trend may be to cross-border amalgamations, collaborations and alliances. While Europe may be seen as poised against the United States and vice versa and in my opinion unjustifiably so, the industry is poised to enter the next consolidation phase — namely, global airline mergers. And in America it is strongly believed that in the near future one or more U.S. airlines will attempt to acquire foreign airlines, especially because many are privately held. I do not think that the Europeans, though capable, will be able to return the compliment because there is little, if any, chance of the U.S. Aviation Act being amended to permit foreign ownership beyond the 25 per cent that is currently allowed.

The Third World, on the other hand, is at cross-roads. The role of developing countries in international air transport cannot be overlooked notwithstanding the fact that Third World countries continue to be plagued by financial woes and, in many instances, internal strife and inter-country conflicts of unprecedented and forbidding magnitude which sap resources and hinder development. The West cannot afford to ignore the Third World itself, whose 127 nations contain 80 per cent of the earth's 5 billion people. In a global context, the well-being of Third World countries is complementary to that of Western societies in the worthy pursuit of stability, expanded trade and increased business opportunities. At the same time, they cannot within their own territory be viewed in a vacuum apart from the rest of the economy but as part of one whole. Except for the rich nations, the OPEC group,

they do share some common characteristics: They are essentially primary producing countries and the terms of trade have historically shifted against them. Today we are witnessing a sharp fall in international commodity prices and Third World indebtedness, varying from country to country, has become of major concern. Economic priorities are perforce being re-examined and re-established and consequently the national carriers whose formation by the newly-emancipated countries of the world in the aftermath of World War II as the symbol of sovereignty and the attainment of nationhood will not escape close scrutiny. Furthermore it is inconceivable that flag carriers that belong to developing countries which come down hard on the issues of human rights can expect to refurbish abroad an image that has been tarnished at home. In such circumstances, the prestige cliché which has been blown out of proportion can be put to rest. Developing nations' airlines are in a dilemma: What role do they envisage for themselves and how to cope in an increasingly competitive environment?

protection that is sought. But this will be at the expense of market development. High fares will not stimulate the market and the resulting low load factors, being reflected in inadequate cash flows, will not sustain a viable and efficient operation. While I recognise that route rights and fare-setting are not the final word, governments of Third World countries have not been very helpful to their national carriers. The airlines in the great majority of cases are state-owned and have to succumb to bureaucratic parties. In many instances, they are crippled before they could start to walk. Such handicaps include undercapitalisation, ill-defined objectives, inadequately trained staff and ambiguous government/carer relationship.

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# Scotland gains berth in world youth football quarterfinals

SANTIAGO, Chile (Agencies) — Scotland, down to 10 men for much of the game, came from behind to force a 2-2 draw with Colombia and claim a berth in the quarter-finals of the Sixth World Youth Football Championship, in a dramatic qualifying group match.

The goals all came in a thrilling second half with star striker Guerrero scoring twice for the South American champions and Wright and McLeod replying for Scotland in their Group 'C' match in the port town of Valparaiso on Sunday.

Italy clinched a place in the last eight by defeating Nigeria 2-0 in a Group 'B' game in Concepcion on Sunday, while Bulgaria took the necessary two points off Saudi Arabia to move through from Group 'D' in Antofagasta.

Yugoslavia, 4-1 victors over Togo on Sunday, were already

assured of qualifying from Group 'A' in Santiago, with hosts Chile taking the second place.

East Germany, Brazil and West Germany, victors in their group matches on Saturday, complete the quarter-final line-up of the under-21 tournament.

In the most stirring match seen so far in the 16-nation tournament, Colombia appeared to have booked their passage into the quarters after Guerrero fired them into a 2-0 lead.

Picking up the ball just inside the Scottish half, the striker beat two players to score with a

powerful left-footed drive from the edge of the penalty area after 48 minutes.

Ten minutes later, he scored on a fiercely struck free kick from outside the area which Scottish goalkeeper Main failed to hold.

Although, Scotland struck back almost immediately through Wright who volleyed in a cross from the right, their hopes of a recovery appeared to have been dashed when the striker was sent off for a foul on the Colombian goalkeeper after 68 minutes.

However the Scots were presented with an equaliser against the run of play when a Colombian defender handled the ball in the area in one of the few Scottish attacks. McLeod accepted the gift with a clinically taken penalty kick.

In the final tense minutes, Main more than made up for his

earlier error with a series of tumbling saves as the Colombians besieged the Scottish goal.

Scotland now travels to Antofagasta for a quarter-final encounter with West Germany, who topped the group.

In Concepcion, where defending champions Brazil clinched their place with a tense 1-0 win over Canada on Saturday, two defensive errors by the Nigerians gave Italy a 2-0 win.

The Nigerians, third in Moscow in the 1985 Championship, were the more dangerous side in the opening minutes.

But Carraro headed Italy into the lead in the 22nd minute after finding himself unmarked in the penalty area, and Melli added a second just two minutes later after also being left unattended in front of the African goal.

## Japan in medal quest at world gymnastics tourney

ROTTERDAM (R) — National champion Koichi Mizushima built up Japan's hopes of a team medal at the World Gymnastics Championships with a consistently impressive performance on the opening day of competition on Monday.

Mizushima, Asian Games bronze medalist on the horizontal bar and parallel bars last year, scored nothing less than 9.7 in the compulsory exercises which count towards the team contest.

Japan, one of the first teams performing in the Ahoy Arena, scored a total 287.8 points but must wait until Tuesday, when the giants of the competition enter the fray, to know if they are on course for a medal.

World champions the Soviet Union and the silver and bronze medalists from 1985, China and East Germany, make their first appearance here on Tuesday, the second day of compulsory exercises.

Marks from the event will be added to scores in the optional exercises on Wednesday and Thursday to decide the team medals and the 36 gymnasts qualifying for the individual all-around competition.

Japan, fourth at the last world championships in Montreal and disappointing at the Asian Games when they failed to win a gold or silver medal, have declared their determination to win the bronze men's team medal here.

Mizushima, a student, scored 9.8 on the rings and in the floor exercises to put him in the early lead in the individual standings.

South Korea's Kwon Soon-Seong and Park Jong-Hoon, who both beat triple Olympic gold medalist Li Ning of China to win first and second place on the parallel bars at the Asian Games in Seoul, failed to live up to expectations as the team collected only 281.65 points in the compulsory exercises.

## Liverpool makes another big signing

LIVERPOOL, England (R) — Oxford's highly competitive midfielder Ray Houghton, who was once given a free transfer by West Ham, became Liverpool's latest expensive recruit on Monday.

Houghton, 26, born in Scotland but eligible to play for Ireland, was the subject of transfer bids by both Glasgow Rangers and Glasgow Celtic and he also rejected offers from Arsenal, Nottingham Forest and Derby before agreeing to join Liverpool for £825,000 (\$1.35 million).

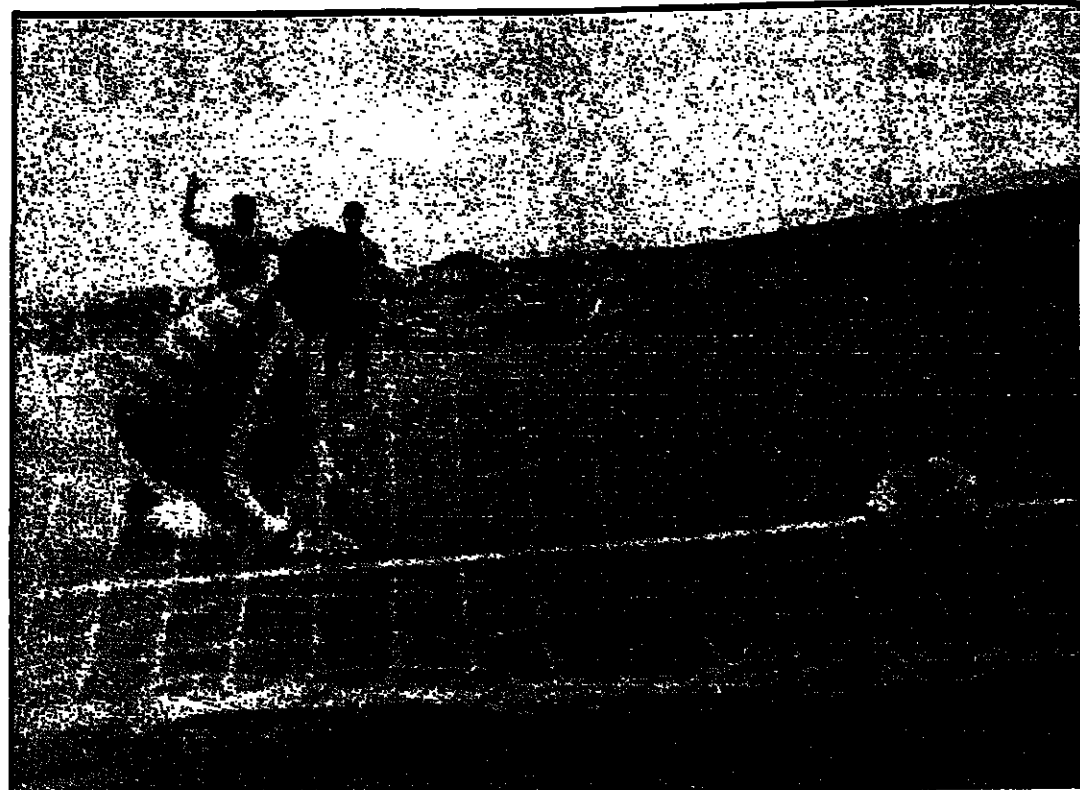
Liverpool player-manager Kenny Dalglish has now spent more than the £3 million (\$5 million) he received from Juventus for Ian Rush. John Barnes cost £900,000 (\$1.48 million) from Watford while Peter Beardsley arrived from Newcastle for a fee of £1.9 million (\$3.14 million).

Houghton, who will be joining one of the strongest first-team squads in Europe, said: "I honestly don't know what I can add to such a great team... it's clearly going to be a daunting task just getting into the side."

Liverpool took over the leadership of the First Division when they beat early pacesetters Queen's Park Rangers 4-0 on Saturday, a victory achieved without the services of Dalglish, Irish defender Mark Lawrenson, Danish international Jan Molby, Scotland's John Wark, England striker Paul Walsh and big-money signings Nigel Spackman and Kevin MacDonald.

"It's going to be desperately difficult to make an impact but they clearly want to be the best in Europe again and I'd love to be a part of it," added Houghton.

Dalglish, who will undoubtedly find it difficult to hold on to a number of his "all-star" reserve team, said: "Good players don't come along too often when they do, you have to try and sign them."



DECISIVE NETTING: The ball rests inside the Jordan Cup net after a kick by Al Faisali defender Khalid Sa'id just before the final whistle in the Jordan Cup final played on Monday. Al Faisali edged Al Hussein team with a 2-1 score to win the Jordan Cup Championship. The team's captain Ibrahim Mustafa received the cup from Youth Minister Eid Dahiyat to the cheers of a capacity crowd of 25,000 at Al Hussein stadium (Photo by Yousef Al 'Allan)

# Minnesota's march to St. Louis: a rare case for making history

MINNEAPOLIS (AP) — Holler "Four" and head for cover. The Minnesota Twins are on their way to St. Louis, two games up in the World Series and coasting along like no other postseason team in history.

"We're on a roll now," Twins shortstop Greg Gagne said. "Hopefully, we can carry it through. ... We've got some confidence going into St. Louis."

The Twins won the first two games of the World Series, 10-1 Saturday night and 8-4 Sunday night — scoring a total of 13 runs in the fourth innings of the two games. They had seven runs in the fourth inning of game 1, six in the same inning of game 2.

"When I go to the racetrack tomorrow, I'm going to play '4'," Twins manager Tom Kelly said.

With this victory, the Twins not

only backed the Cardinals into a corner, they also became the first team in major-league history to score five or more runs in seven consecutive postseason games.

The Twins defeated the Detroit Tigers in a five-game American League playoff. Their winning scores were 8-5, 6-3, 5-3 and 9-5. They lost game 3, 7-6.

Game 3 is scheduled for Tuesday night at Busch Stadium with Rookie Les Straker, 8-10, going for Minnesota against veteran John Tudor, 10-2. Tudor will try to stop St. Louis' five-game World Series losing streak, dating back to 1985, during which the Cardinals have been outscored 37-7.

Minnesota's Bert Blyleven got the win, allowing two runs on six hits through seven innings and striking out eight. The Twins,

meanwhile, sent 11 men to the plate and chased St. Louis' starter, Danny Cox, in the fourth inning.

Tim Lardner, a .191 hitter during the season, had a two-run single in the big inning, then hit a 128-metre homer two innings later.

"They look pretty good to me," Cardinals manager Whitey Herzog said of the Twins. "I saw them play Detroit, and they are a hot ballclub. We haven't had many big innings against us all year, and we've given up 13 runs in the fourth inning of the last two days."

Of the 37 teams that have gone down 2-0 in the World Series, only 10 have come back to win. That is the task facing Herzog's Cardinals.

"Two things mean nothing in

baseball," Herzog said, "last year and yesterday."

This was an intimate little party of 55,257 whistle-blowing, hanky-waving, rock-and-roll singing fans, the largest crowd to ever see a baseball game in the state of Minnesota.

When songs like "Twist and Shout," "My Baby Does the Hanky-Panky" and "Born to Be Wild," were played over the metronome public address system, fans waved their homer-hankies in time to the music, looking like so many herons bobbing their heads in unison.

Whey Gary Gaetti and Lardner hit home runs, the theme music for Darth Vader of "Star Wars" fame boomed out across the 70 million cubic feet of space enclosed by the dome.

## Ailing Boon guides Australia to cricket win over New Zealand

INDORE, India (R) — David Boon was suffering from a fever and stomach cramps during his match-winning World Cup innings for Australia on Monday, his captain Allan Border said.

But Border gave New Zealand full credit for coming within four runs of overtaking the Australian total of 199 for four in the Group 'A' contest which was reduced to 30 overs because of rain.

Border said that even without his ailments, Boon's 87 off 90 balls was an outstanding effort. "We had set ourselves a target of 150 or 160, but Boon and Dean Jones assessed the situation well and proved to us that the pitch was not doing as much as we thought it would," Border said.

"The manner in which they hit the spinners made the boundary line look shorter — 199 was never an easy target," Border added. Border praised the New Zealand batting and said was worried when Martin Crowe was in full flow. "But experience has taught us sooner or later the ball goes up."

"In these games luck plays an important part and today luck was on our side," Border said.

The match eventually started nearly 28 hours late with the outfield still very damp in places after the drenching it had received from heavy outbursts of rain during the previous three

days. The pitch, though, was dry and firm and the Australian batsmen helped themselves to runs off a New Zealand attack that was willing and workmanlike but lacked bite.

Boon was particularly severe in a gem of an innings that was at once disciplined and aggressive. His runs came from 90 balls with five fours and two sixes.

His main ally in dismantling the New Zealand attack was Dean Jones who contributed 52 to a 117-run second-wicket stand between the fifth and 22nd overs.

Australia lost Geoff Marsh in the fifth over, caught at slip off Martin Snedden, but Boon and Jones took 100 runs off the next 63 balls to make Jeff Crowe's decision to field first a questionable one.

Jones was out driving Dipak Patel into the deep and Boon, having batted for all but 19 balls of the innings, was superbly caught off Snedden by John Wright running to his left at long on.

Allan Border made a pugnacious 34 with three fours and a six before falling in the last over to Ewen Chatfield.

New Zealand's spinners John Bracewell and Patel suffered most from the Australian batting onslaught, 96 runs coming off their 12 overs.

## 'What difference does it make?'

NEW YORK (AP) — The strike replacements learned a lesson Sunday. There's a big difference between real NFL players and their stand-ins.

Steve Largent and Joe Montana, plus such backup quarterbacks as Gary Danielson, Jeff Kemp, Pat Ryan and even Doug Flutie spent their first week back taking advantage of playing against the second-liners.

But even the presence of Lawrence Taylor couldn't prevent the New York Giants' fifth straight loss, a 6-3 overtime loss to Buffalo in a game marked by 258 yards in penalties, five missed field goals and nine turnovers. It marked the worst start ever for a defending super bowl champion, albeit one that needs an asterisk.

For some, the heroics were almost embarrassing, particularly Largent, who almost surely would have set a new record for catches in a game had he not left Seattle's 37-14 win over Detroit with 9:26 left in the third quarter.

"The only record I was concerned with was getting a win," said Largent, who had to be content with extending his NFL record of consecutive games with a reception to 143. He also moved within 36 catches of becoming the league's all-time career leader and helped Kemp to 20 completions in 27 attempts for 344 yards and four touchdowns.

"I don't take any personal joy in this day at all," said Danielson, who completed 25 of 31 for 281 yards and four touchdowns as the Browns used nine regulars and routed the Cincinnati "B" team 34-0. "It's just a team victory. The statistics don't really mean that much."

"That shows what happens when you get professional football players involved in these kind of games — the cream always rises to the top," said Ken O'Brien, the New York Jets regular quarterback after Ryan, his backup, led the Jets to a 37-31 overtime win over Miami.

The one notable exception on the third and final week of strike football was Erik Kramer, Atlanta's replacement quarterback, who threw for 338 yards and three second half touchdowns as the Falcons overcame a 17-0 deficit for a 24-20 victory over the Los Angeles Rams, who had 11 veterans back.

But the rules was mismatches, as those veterans who reported, Wednesday toyed with teams whose veterans came back when the strike ended too late to be eligible for Sunday's games.

Montana, one of 17 regular 49ers on the field, was 31 of 39 for 334 yards and four touchdowns. One TD to tight end Ron Heller gave San Francisco a 34-28 win over St. Louis, which had 21 players back from the strike.

Flutie, who was traded back to his New England Roots by Chicago last Tuesday, led the Patriots to a 21-7 win over Houston, going 15 of 25 for 199 yards and a touchdown and scrambling six times for 43 yards.

There was no rush back by the fans. The day's average attendance was about 26,500, 38 per cent of capacity.

The high for the early games was 46,813 at Chicago's Soldier Field, where the Bears lost for the first time, real or replacement, 19-17 to New Orleans, as coach Mike Ditka alternated quarterbacks most of the second half to shuttle in plays.

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## Journal highlights S. Yemeni oil plans

NICOSIA, Cyprus (AP)—South Yemen will become a major oil exporter in about 18 months after the completion of a planned pipeline, an authoritative oil journal reported Monday.

Exports are projected to start at an initial rate of 100,000 barrels per day, with potential ex-

pansion to as much as 500,000 in a matter of years, the Middle East Economic Survey (MEES) reported.

The Marxist government, which receives substantial economic assistance from Moscow, approved the pipeline plan following a visit to the South Yeme-

ni capital, Aden, of a high-powered Soviet team two weeks ago, the oil review said.

Earlier this year the Soviet firm Technoexport, which is carrying out exploration on behalf of the South Yemen government, confirmed the discovery of commercial quantities of light crude in the Shabwa region in the northwestern part of the country.

Around 10,000 barrels a day are currently being transported by trucks from the oil field to the refinery in Aden, the journal added.

The Soviet team estimated that Shabwa reserves "substantially exceeded previous expectations and are regarded as large enough to justify a pipeline with an eventual capacity of 500,000 barrels per day," the review reported.

It said that engineering studies for the pipeline are nearing completion and that construction work is expected early next year.

The pipeline, to be completed in about 18 months, would link Shabwa with a coastal terminal at Bir Ali, 180-200 kilometres to the south.

## Three million workers begin general strike in Bangladesh

DHAKA (R)—More than three million workers walked out of their jobs in Bangladesh on Monday but business was largely uninterrupted at the start of the two-day general strike, police said.

They said strikers were down in shops and factories and most trains, air services and river ferries operated on schedule. However, railway officials at the southern port of Chittagong said no trains from Dhaka had reached the city.

The walk-out, the sixth general strike this year, was called by the Sramik Karmachari Oikya Parishad, a labour organisation of 15 federations demanding a 60 per cent increase in cost of living allowances for all factory workers.

It also wants the government to scrap plans to sell some state-owned banks and factories.

Twenty-one opposition parties, including the two biggest groups — the Awami League and the Bangladesh Nationalist Party — are supporting the strike.

At least 11 nationalist party members, including a retired brigadier, were arrested on Saturday and police said they would be detained in jail for a month.

Party sources said the arrests were part of a government attempt to frustrate the strike, which Labour Minister Anwar Zahid said would cost the country at least \$12 million.

Ruling Jatiya Party Secretary General Shah Moazzem Hossain denounced the opposition for their support to the stoppage, saying they were motivated by narrow political objectives.

"They see in any strike a chance to topple the government so that they can take control of the country," he told a party rally on Sunday.

## Stock markets dive in Asia and Europe

LONDON (R)—Investors around the globe dumped shares on Monday, panicked by last week's record Wall Street falls and making it a day of stock exchange carnage throughout Asia and Europe.

Gold, a favoured refuge, rose to a 4½ year peak at \$483 an ounce in London. The dollar tumbled. Brokers were saying the fate of share prices and the dollar were linked — if the dollar is seen to have pulled out of its tailspin, it might steady investor nerves.

Eyes were on Wall Street, too. What U.S. shares do next after their record falls last week, brokers said, may determine whether or not the phenomenal five-year "bull market" around the globe really is over — and, if it is, whether what is happening now is just a sharp "correction" of share prices or a rout.

"I'm cleaning the blood off my hands," That was how a broker in Hong Kong summed Monday big sell-off in the stock markets.

Hong Kong's Hang Seng share index took its biggest drop on record, losing 10 per cent of its value. Tokyo, the world's most heavily capitalised market, took its sixth biggest tumble.

Then the sun set in Asia and it was Europe's turn. London's Financial Times Stock Exchange (FTSE) 100-share index opened a stunning 136.9 points at 2,165 points and hit 2,073.4 before recovering to around 2,160 at midday and then falling again within an hour by almost 40 points. Prices slumped all across Europe.

A London dealer said: "We think the market has overreacted to Wall Street and we're looking for the bargain hunters to move in later today" — and Tokyo

dealers agreed it was too soon to proclaim the end of the bull market and the advent of a "bear."

But the bargain hunters were mostly waiting to see what Wall Street would do later before risking their money.

And brokers everywhere worried lest small investors panic. "When private clients read about this in the media there's likely to be more panic selling," said a broker in New Zealand.

Last week's drop on Wall Street, where the blue-chip share barometer, the Dow Jones industrial average, has now fallen 17 per cent since August, followed news on Wednesday of yet another huge U.S. trade gap and rising tension in the Gulf.

U.S. trade deficits have since 1985 sent the dollar sharply down in value — by more than 40 per cent against Japan's yen and West Germany's mark. But that is only slowly making U.S. exports more competitive, while it is pushing up import prices in the United States.

That has led to fears of inflation there, or of higher interest rates to prop the dollar — both bad for company profits. Some economists talk of possible recession as America tries to curb the spending boom that is sucking in imports.

So stock market movements on Wall Street and elsewhere are affected by trade and the value of the dollar.

"If the dollar goes through 140 yen, then there is a lot more to go on Wall Street and this market will come down as well," said Mr. Peter Tasker, analyst at Kleinwort Benson International in Tokyo.

The dollar in Europe on Monday dipped toward that 140-yen psychological barrier, going as low as 140.85, then rallied to around 141.25 by mid-session. It fell as low as 1.77 West German marks, then got up to around 1.7750.

In just a week it has fallen two yen and nearly five pfennigs, weighed by the latest bad U.S. trade figures and, in recent hours, by weekend statements from Washington that have unnerved the currency markets and led to new dollar sales.

The New York Times quoted a senior Reagan administration official at the weekend as saying the United States may have to let the dollar slide further against the mark.

On television, U.S. Treasury Secretary James Baker said the United States was examining the February "Louvain" accord, reached in Paris by the United States, Japan, West Germany, France, Britain and Canada to stabilise currencies.

In that package, the United States swapped a pledge to help stabilise the dollar for promises by trading surplus nations like Japan and West Germany to stimulate their economies — so their consumers would buy more U.S. goods and help, by that route, to narrow America's trade deficit.

The U.S. case now is that West

Germany has done too little. Its historic dread of inflation has led it to keep a tight rein on money supply and German interest rates have edged up.

But "a rise in rates is not a trend we favour," Mr. Baker said.

Gold, that favoured investor safe haven in troubled times, gained from Monday's stock and currency market turmoil, and tension in the Gulf, shooting up \$17.75 from Friday to \$483 an ounce in London, its highest since February 1983.

Trying to steady the dollar, the Bundesbank, West Germany's central bank, bought a modest \$11.7 million.

Back to the tumbling stock markets.

Asia's three biggest stock markets, Tokyo, Sydney and Hong Kong, went into free-fall. Sydney and Hong Kong registered their biggest one-day drop and Tokyo its sixth-biggest.

"There was just one factor — New York," said a senior broker at Nomura Securities, Japan's biggest brokerage firm.

Tokyo's 225-share index nosedived more than 700 points in the first hour of trading and then edged back up slightly to close 620.18 points down at 25,746.56.

Sydney's index fell a record 80.4 points to 2,064.2 in spite of a surge in gold related shares helped by strong gold prices. Hong Kong's Hang Seng index had dropped more than 420 points shortly before the close.

Singapore's market nosedived to a record low in its 14-year history. Brokers said rumours of riots in Malaysia fuelled investors

worries and the Straits Times industrial index fell 169.14 points to 1,223.28 from Friday's 1,392.42.

In Europe, London's market shed 10 per cent of its value. FTSE 100-index was down huge 136.9 points at the start of business. The fall, to 2,165, was calculated from Thursday's close — storms, which cut power and felled trees across railways and roads preventing brokers getting to work, virtually closed London on Friday and no index was calculated then.

Later on Monday morning London slumped to a low at 2,073.4, before some bargain hunters stepped in and the index clawed back to around 2,160 at noon. But they retreated and the index was back down to 2,118 just over an hour later. The London market's fall wiped out gains since May 8 when it went through 2,100.

The previous record for an intra-session decline was set on Aug. 19 when the FTSE fell 74.2 points before recovering to be just 27.2 down on the day. The record one-day fall in London for a whole session was 56 points on Aug. 6.

Leading German share values opened about eight per cent down from Frankfurt's bourse. The Paris bourse indicator ended the morning down 5.31 per cent, and the volume of orders meant the main trading session had to be delayed 15 minutes.

In Zurich, the Swiss index of equities was six per cent down. At mid-morning, the Amsterdam all-share index was down four per cent.

## Kremlin stresses resource-saving, higher quality

MOSCOW (R)—The Soviet Union outlined on Monday economic targets for 1988 which stress the need to conserve resources and improve standards in the country's sluggish engineering industry.

Planning chief, Mr. Nikolai Talyzin, told the Supreme Soviet (Parliament) industrial output was planned to rise by 4.5 per cent in 1988, up from a planned 4.4 per cent in 1987. In the first nine months of this year, output rose by 3.6 per cent.

He said national income, the nearest Soviet equivalent to gross national product, was planned to rise by 4.3 per cent against a planned 4.1 per cent this year. Gross national product measures the output of a country's goods and services.

Mr. Talyzin said the Kremlin planned to produce 235 million tonnes of grain in 1988, against a planned 232 million this year. The Soviet Union produced 210 million tonnes in 1986 and the Soviet press has said heavy rain has affected harvesting this year.

The 1988 Soviet plan stressed the engineering industry, which Kremlin leader Mikhail Gorbachev has described as a sector whose rapid modernisation is essential if the Soviet Union is to compete effectively on world markets.

"Certain difficulties have arisen this year in the machine-

building industry," said Mr. Talyzin, who heads the state planning committee, Gosplan. "The economy is not receiving a considerable amount of the equipment that it requires."

Soviet data show the machine-building industry, which makes machine tools, instruments and other engineering goods, increased output by 3.3 per cent in the first nine months of this year against the same period in 1986.

This is far below the 7.3 per cent increase planned for the industry for the whole of 1988. Western economists, think there was heated debate among Soviet planners this year over how best to achieve rapid improvement in the engineering industry.

Mr. Talyzin said the ruling politburo had concluded at a recent meeting that an improvement in economic performance depended to a large extent on conserving resources better. "Large-scale measures are planned to save resources," he said.

Finance Minister Boris Gusev told the Supreme Soviet that defence spending in 1988 would total 20.2 billion rubles (\$32 billion at present prices), which is the same ruble figure as was announced last year.

Western governments view official Soviet estimates for defence expenditure as highly understated, but say the real figure is hard to calculate because

Soviet military industries are intertwined with the civilian economy.

Western specialists study the official defence figure presented each year for political signals. The figure has not risen since 1984, when Moscow announced a 12 per cent rise in defence spending and blamed it on a "U.S. military build-up."

Mr. Talyzin said the Kremlin had also decided to increase spending next year on medical services, education, pensions and social insurance schemes.

He said state expenditures in these fields would reach 171 billion rubles (\$270 billion) in 1988, or 3.5 billion rubles (\$5.5 billion) more than had originally been envisaged in the 1986-1990 five-year plan.

Gorbachev to mobilise defence industry in tackling food problem

Meanwhile, TASS news agency said on Sunday that Mr. Gorbachev plans to enlist the Soviet defence industry in tackling the "exceptionally complex" problem of food supply in the country.

Reporting on Mr. Gorbachev's concluding remarks to a conference at Communist Party Central Committee headquarters on Saturday, TASS quoted him as saying public support for his eco-

omic reforms could best be mobilised through better food supplies at under-stocked state shops.

"There is no alternative — we must use all forces to tackle this sphere," Mr. Gorbachev declared.

He said ministries responsible for equipping the food processing and storage industries were handling some tasks for improving supplies, but added:

"The situation is such that, in order to satisfy the pressing needs of the food industry... we cannot manage without broadly enlisting the machine-building capacities of other ministries, including defence-related ones."

The ministries which equip the Soviet military are reputedly by far the most efficient in the country.

Analysts said Mr. Gorbachev's move to enlist their help underlined the gravity with which he viewed the situation.

Without denouncing his predecessors by name, Mr. Gorbachev said food supply — "a sector of vital importance for people's everyday life" — had been neglected for far too long.

"This is not just unfulfillment, comrades, this is a mistake," he said.

He said the rate of growth of food-processing and storage equipment had been three times lower than that of agriculture as a

whole for the past 15 years, and two-thirds of the machinery did not meet contemporary demands.

The lack of food-storage facilities must be overcome in the next two to three years, he said, and the food-processing industry completely overhauled within five to seven years.

His comments followed press reports this autumn on grain rotting in rain-soaked fields for lack of storage facilities.

Mr. Gorbachev said output of light machinery for food-processing should double and production of heavier equipment should grow four- to nine-fold. But he cautioned against "gigantomania," saying compact machines were much needed.

He said food distribution networks also deserved a rethink, condemning massive shipments of canned fruit and vegetables to warm, agricultural regions as irrational.

The Soviet leader warned that officials who stood in the way of his drive to create a better food programme would not be tolerated.

"When the people feel that there is serious improvement in food supply, this will be the best propaganda in favour of 'perestroika', in favour of all we are asking of people," he said, referring to his economic restructuring campaign.

## FORECAST FOR TUESDAY, OCTOBER 20, 1987

## YOUR DAILY HOROSCOPE

From the Carroll Flight Institute

**GENERAL TENDENCIES:** You will be quite pleasing to your fellow workers this morning. Later in the day, however, you should avoid arguments and unfamiliar situations at all costs, or you'll definitely regret it later on.

**ARIES (Mar. 21 to Apr. 19)** Don't be forceful in trying to get your views across to others. A reasonable and diplomatic attitude could work well for you.

**TAURUS (Apr. 20 to May 20)** Be cautious in any movement today, or you'll cause some damage. Be more cooperative with associates and become more productive.

**GEMINI (May 21 to June 21)** Plan a recreation for later, but remember that it doesn't cost much. Be more understanding with your mate, and don't argue.

**MOON CHILDREN (June 22 to Jul. 21)** Work on improving the appearance of your home and your mood will improve. Have guests in and enjoy quiet conversation.

**LEO (Jul. 22 to Aug. 23)** Be considerate of your associates this morning or unpleasant situations may arise. Be very cautious when driving this evening.

**VIRGO (Aug. 24 to Sept. 22)** Don't be extravagant in any way today, and be sure you understand the consequences before taking any financial action.

**LIBRA (Sept. 23 to Oct. 22)** Make a concerted effort not to annoy anyone today. Contact some good friends and arrange an amusement

for later tonight.

**SCORPIO (Oct. 23 to Nov. 21)** You would be wise to keep your mouth shut today, as arguments will come easily. But they will not be so easy to resolve later.

**SAGITTARIUS (Nov. 22 to Dec. 21)** Be careful not to over spend or over exercise today. Clarify your wishes to others, and you'll have a much easier time gaining them.

**CAPRICORN (Dec. 22 to Jan. 20)** This is a good time to get into new civic matters which have interested you. Take it easy and enjoy your family this evening.

**AQUARIUS (Jan. 21 to Feb. 19)** You can be quite successful in putting new ideas into motion today. Don't work overtime tonight, go home and get some rest.

**PISCES (Feb. 20 to Mar. 20)** Come to a better understanding with a business associate. This is a good time to clarify agreements or make binding contracts.

**If Your Child Is Born Today** He or she will be very popular when young and will have a great desire to learn and get ahead in life, but will have to learn to be more cooperative with others when adulthood is reached. Generosity will have to be learned, as it is not an integral part of the character.

"The Stars Impel; they do not compel." What you make of your life is largely up to you!

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## THE Daily Crossword by Bernard Meren

ACROSS

- 1 Horse
- 5 Moving aimlessly
- 11 Bubbly beverage
- 14 "— Rhythm"
- 15 Chief
- 16 Tire filler
- 17 Nursery rhyme
- 20 Pub politian
- 21 So-so grades
- 22 Buenos
- 23 Work the land
- 24 Medes
- 26 Cotton fabric
- 29 Arete
- 30 Wild ox
- 31 Panama is one
- 32 Pinky or Gypsy
- 35 Piano place
- 39 Overhead railways
- 40 Comic
- 41 Amsterdam
- 42 Steak
- 43 Satisfy
- 45 Lands
- 48 Rap
- 49 Macaw
- 50 Press
- 51 Bashi
- 54 Team
- 58 Superlative
- 59 Suffix or May
- 60 Branchchild
- 61 — Plains
- 62 Count of Monte Cristo
- 63 Gaze

DOWN

- 1 Impassable
- 2 Kaffiyah cord
- 3 Mechanical course
- 4 Letter from
- 5 Athens
- 6 Presbyters
- 7 OT jumper
- 8 Encouraging sounds
- 9 Fruit drink
- 10 Ship-shaped gold table
- 11 Love affair of
- 12 Kind
- 13 Chaplain
- 14 Houston athlete
- 15 Urge onward
- 16 Sports org.
- 17 Eat well
- 18 College gp.
- 19 Like a julep
- 20 Wife of Esau
- 21 Create
- 22 Dye source
- 23 Polka —
- 24 Indian queen
- 25 Podiatrist's concern
- 26 Helen's mom
- 27 Slave of old
- 28 Hugged
- 29 Corner
- 30 Eager
- 31 Mountain lake
- 32 Dials —
- 33 Jenny —
- 34 Was brave
- 35 Expunge
- 36 Hugged
- 37 Leggy bird
- 38 "— true what they say —"
- 39 Drove
- 40 Curved molding
- 41 Tyrant
- 42 — car
- 43 Spank
- 44 Ice cream portion

## Yesterday's Puzzle Solved:

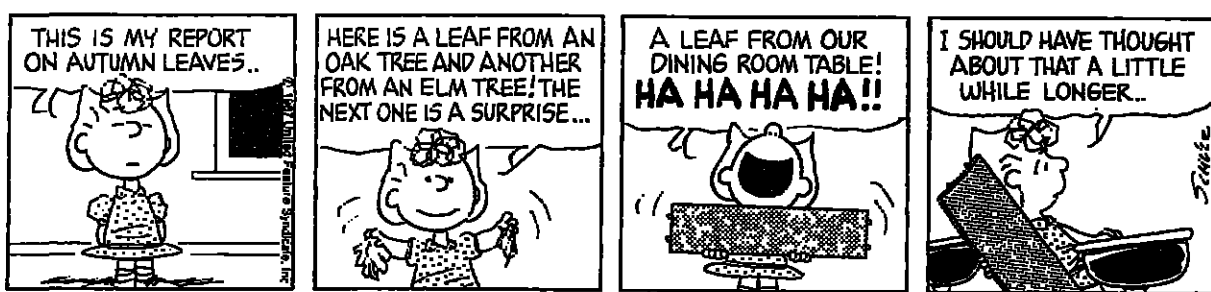
ACROSS

- 1 RUMON
- 5 NEKEL
- 11 FLAGDY
- 14 CORRAN

DOWN

- 1 RUMON
- 5 NEKEL
- 11 FLAGDY
- 14 CORRAN

## Peanuts



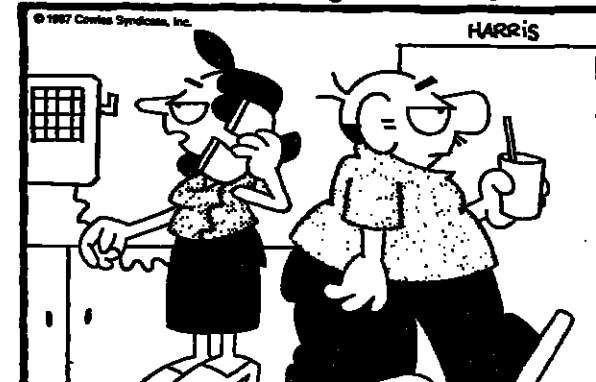
## Mutt'n' Jeff



## Andy Capp



## THE BETTER HALF. By Harris



## JUMBLE. THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

RUMON

NEKEL

FLAGDY

CORRAN

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: "O O O O — O O O O —"

(Answers tomorrow)

Yesterday's Jumbles: FLUTE IDIOM POLICE MAMMAL  
Answer: What the lazy butcher's specialty was—MEAT "LOAF"



# Indian troops reported in centre of Jaffna; Tigers offer surrender

COLOMBO, Sri Lanka (AP) — Indian peacekeeping forces, reinforced by troops flown in over the weekend, are battling Tamil rebels in the centre of Jaffna, Indian and Sri Lankan officials said Monday.

Meanwhile, a Sri Lankan source said a leader of the Liberation Tigers of Tamil Eelam, the strongest Tamil militia, had offered to meet the Indian demand of unconditional surrender. An Indian spokesman could not confirm the report.

Indian troops on Sunday advanced 600 metres north from a fort on the outskirts of Jaffna and captured the main bus terminal in the middle of the city, according to Sri Lankan military officials and an Indian diplomat. All spoke on condition of not being identified. It was the first time Indian troops had reached the centre of Jaffna in their 10-day-old offensive to dislodge the Tigers.

The Sri Lankan military sources said the Indians also captured the government hospital next to the bus terminal. There was no word on casualties, but the Sri Lankan sources said the Indians were cremating bodies of civilians killed in the fighting. They said they did not have casualty figures.

Indian officials said Sunday that about 530 Tamil rebels and more than 100 Indian troops had been killed since the beginning of the offensive on Oct. 10.

A Sri Lankan military official said Monday that Gopalakrishna Mahendrarajah, the Tigers' second-in-command, had sent a message expressing willingness to

meet India's demand for unconditional surrender.

The official, who insisted on not being identified, said Mr. Mahendrarajah's note went to Indian headquarters at Palali, north of Jaffna, and to the Sri Lankan army.

The note said the Tamils want peace for Deepavali, the Hindu festival of lights on Wednesday, the official said.

An official at the Indian High Commission, or embassy, said she knew of no such offer, but added the report was being checked. She said that a "ploy to use Deepavali as an excuse to gain time will not be bought by us."

On Monday, the Indian and Sri Lankan sources said the peacekeeping force on Sunday overran the Tigers' headquarters in Kopal, six kilometres north east of Jaffna.

The Indian diplomat said explosives, weapons and ammunition were captured. But the diplomat stressed that the Tigers have several headquarters and that the Indians have not captured the group's headquarters inside Jaffna.

Jaffna, 300 kilometres north of Colombo, is the Tigers' chief stronghold. The Tigers have vowed to fight to the last man in their quest for an independent Tamil state.

Tamils, who comprise 18 per cent of Sri Lanka's 16 million people, say they are discriminated against by the Sinhalese majority, which controls the government and makes up 75 per cent of the country's population. The majority of Sinhalese are Buddhist, while the Tamils are mostly Hindu. But, Sinhalese and Tamils say religion is not the major factor in the rift. They cite ethnic and language divisions as more important.

## Laurel 'ready' to take over if army topples Aquino

MANILA (Agencies) — Rebelious Philippines Vice-President Salvador Laurel on Monday declared his readiness to become president if the army toppled Corason Aquino.

In a speech to the Foreign Correspondents Association of the Philippines, Mr. Laurel, who resigned as foreign minister last month, also said he wanted Mrs. Aquino's government to succeed and cast doubts on threats by the United States to cut off aid if she was ousted in a coup.

Mr. Laurel said he would refuse to be a figurehead if the military forced out Mrs. Aquino and offered him the presidency. "It is different altogether if, for

instance, after taking over they go back to the barracks."

Mr. Laurel added: "I would like to see this government succeed" but said Mrs. Aquino should reconcile with all her opponents, including those who have rebelled against her.

He said Mrs. Aquino would have to make decisive moves to end political turmoil in the country and added that she might not last until the end of her term in 1992 if she makes mistakes.

Mr. Laurel said Monday he and Senator Juan Ponce Enrile were forming a "tactical alliance" to support candidates in the Jan. 18 local elections, but not to oppose the president.

## Environmentalists disable chemical waste ship at sea

THE HAGUE (R) — Anti-pollution campaigners disabled an incinerator ship in the North Sea overnight by jamming its propeller with cables, a spokesman for the ship's owners said on Monday.

The Vulcanus II was burning its load of 3,000 tonnes of chemical waste at an incineration site off the Dutch coast when Danish fishing boats and a vessel from the Greenpeace environmental group damaged it, he said.

"They got a cable into the propeller and jammed it. It began drifting and had to stop the incineration," spokesman Thys Verdegael of Ocean Combustion Services (OCS) told Reuters.

"Earlier, they attacked the Vulcanus with emergency rockets to stop the incineration."

Peter Wilcox, captain of a Greenpeace ship monitoring the

Vulcanus, told the British news agency Press Association on Monday that the Vulcanus was disabled after snagging a propeller in nets laid by the Danish fishing trawlers.

Greenpeace, which has been banned by a Dutch court from taking actions against the waste ship, called the jamming an accident and Wilcox denied a statement by OCS that the Vulcanus had put out a distress signal.

On Sunday, 28 Danish trawlers, fearing the waste could pollute the sea and endanger marine life, fought a water cannon battle with the Vulcanus.

Wilcox told Reuters on Sunday that the incident, not organised by the Greenpeace environmentalist group, was prompted by the Danish fishermen's anger over the ocean incineration.

## Salvadorean peace talks to continue

SAN SALVADOR, El Salvador (AP) — Rebels and government leaders will meet next week to continue discussions on a possible ceasefire, Monsignor Arturo Rivera Damas, the Archbishop of San Salvador, said Sunday.

Archbishop Rivera Damas, who has arranged and mediated talks aimed at ending eight years of civil war in the Central American country, said in his Sunday homily that the site for the meeting had not been confirmed but that it would be outside El Salvador.

The two sides are trying to meet a Nov. 7 deadline mandated by the peace pact for arranging ceasefires in El Salvador, Nicaragua and Guatemala, as well as amnesties, democratic reforms, and an end to outside aid to rebel forces.

## 2nd contra drug probe expanding

WASHINGTON (AP) — As Congress' major Iran-contra investigation winds to a close, a house panel is expanding its look at possible drug and gun-running by the Nicaraguan rebels and charges that U.S. officials condoned the crimes.

Representative William Hughes, chairman of the House Crime Subcommittee, said Friday that the panel is widening its probe of possible crimes by and for the contras.

"We're developing some very troubling information," said Mr. Hughes, an opposition Democrat.

He said the investigation continues to focus on "narcotics trafficking and gun-running." He declined to elaborate.

The crime panel also continues to track allegations that federal officials, possibly including Attorney General Edwin Meese III, discouraged prosecution of the crimes. Mr. Hughes said. Mr. Meese has repeatedly denied the allegations.

The investigation by the crime panel has been overshadowed by the nationally televised investigation by Congress' Iran-contra panels.

The House and Senate committees are expected to release their final report late this month on secret U.S. arms sales to Iran and diversion of profits from those sales to the contra rebels.

## Kim Young-Sam sets opposition convention date

SEOUL (R) — South Korea's opposition party chief Kim Young-Sam said on Monday his deeply divided movement would hold a national convention next month to name him as its presidential candidate.

An elated Kim, 59, told reporters his mammoth campaign rally on Saturday in Pusan, his south eastern power base, demonstrated beyond doubt that he was better fitted to bear the opposition banner into December's presidential polls.

He said long-time rival Kim Dae-Jung should quit the race so as not to split the opposition vote and permit the election of government candidate Roh Tae-Woo.

The two Kims, joint founders of the Reunification Democratic Party (RDP), tried in vain to agree on a single candidate to

contest the election, the first free, direct presidential vote in 16 years.

In Pusan at the weekend, Kim Young-Sam drew a crowd which both witnesses and local media said numbered more than one million. Many journalists and political analysts called it the biggest turnout for a South Korean political rally since President Chun Doo Hwan came to power in 1980.

Buoyed by this success in the country's second largest city, Mr. Kim said he would push for the RDP to call its long-delayed national convention on Nov. 5 to endorse him as its official candidate.

"The Pusan rally demonstrated well to the public who should become the opposition candidate. Mr. Kim Dae-Jung should be aware of this," he said.

## Pacific islands assess damage after typhoon

AGANA, Guam (AP) — Officials in the northern Mariana Islands are assessing the damage caused by typhoon Lynn, which tore through the Western Pacific chain north of Guam with 100 mph (160 kph) winds early Monday.

People on the islands of Saipan and Tinian were forced to evacuate their homes, many of which were damaged by flooding as well as fierce winds, civil defence officials said.

However, no injuries had been reported by Monday afternoon, when the storm began to move to the north west, away from the islands.

"We're still feeling the wind, but it's leaving us already," said like Quichoco, mayor of Tinian. "Probably in a matter of several hours it will be calm."

Survey parties from the Commonwealth of the northern Mariana Islands Emergency Control Centre were visiting Rota, Saipan and Tinian. The last two, only eight kilometres apart, were hardest hit by typhoon Lynn.

## Najib: Afghan party seeks compromise

MOSCOW (R) — Afghan leader Najib said the ruling People's Democratic Party of Afghanistan (PDPA) was searching for compromise with other political groups but aimed to remain the country's leading force.

Mr. Najib said on Sunday other parties would be allowed to act legally and freely "provided that they work for peace." His speech to a PDPA conference in Kabul was reported by the official Soviet News Agency TASS.

"Going into a bloc of left-wing democratic parties, the PDPA will not lose its personality, it will remain the generally recognised leading national force," he said.

But he said governing by coalition meant "several parties united by a common policy of national reconciliation" would hold power. The party wanted dialogue with the seven main Muslim rebel groups fighting Kabul, he added.

The seven guerrilla groups based in Pakistan have elected a veteran Islamic fundamentalist, Mohammad Younis Khalis, as first president of their alliance fighting the Kabul government,

alliance sources said in Islamabad on Sunday.

Neutral Sweden expressed willingness on Sunday to join U.S. oil magnate Armand Hammer's plans for an Afghan settlement, but declined to say whether it was prepared to lead an international peacekeeping force there.

Mr. Hammer, the 89-year old head of Occidental Petroleum, has visited Kabul, Moscow and Islamabad in recent days in a one-man crusade to end the nine-year war between Afghan guerrillas and the Soviet-backed Kabul government.

He told Reuters in Islamabad that Sweden's deputy foreign minister had "indicated that Sweden would accept" a key role as leader of an international peacekeeping force in Afghanistan.

In his speech in Kabul, Mr. Najib, who on Saturday tightened his grip on the PDPA by purging supporters of his ousted predecessor Babrak Karmal, acknowledged there were problems with party factionalism.

"Speaking of unity in the party

ranks, Mr. Najib noted that for a protracted period the party was fraught with open and concealed factional struggle," TASS said.

It said he attributed the fighting to "the poor knowledge of scientific revolutionary theory among almost all the leading party officials."

Mr. Najib also acknowledged errors in the party's treatment of Afghan peasants, but said justice was being restored through new land policies.

He said there had been no proletarian or socialist revolution in Afghanistan, declaring: "Whatever the enemies may say, our party is not a Communist one."

Noting that the first and only PDPA congress had been held 23 years ago, Mr. Najib said a second should be convened soon.

He said the Soviet military force in Afghanistan, estimated by Western experts to number 115,000 men, would withdraw as soon as Washington and other countries aiding the rebels ensured non-interference in Afghan internal affairs.

## COLUMNS 768

### Iraqi census reveals centenarians

BAGHDAD (R) — The oldest person found during Iraq's most extensive census ever was a woman aged 115 years, the Iraqi news agency said. It said she was found by officials making door-to-door calls in the western town of Anbar, while a man and a woman both aged 107 were reported in the holy city of Karbala. The census involved a nine-hour curfew and 170,000 government workers. Planning Minister Samir Majid Faraj was quoted by the agency as saying the census had been successful and the results would be announced later. Officials had predicted before the count a population of over 16 million, an increase of some four million over the last 1977 census.

### 431 books taken off Seoul blacklist

SEOUL, South Korea (AP) — More than 430 books were taken off a government blacklist Monday as part of South Korea's current democratic reforms, the Culture and Information Ministry said. Ministry officials said the government lifted restrictions on 431 of 650 books by Korean and foreign authors. The production and public distribution of the books had been banned as detrimental to society and national security. Some of the books had been popular among dissidents and anti-government students. Ministry officials said restrictions on 181 books would remain because of what authorities called their advocacy of Communism or revolution, and that 38 other books would be given further consideration. Critics had contended that the government imposed strict controls on books in an effort to check dissemination of anti-government views and in violation of freedom of expression.

### Home brewing gives Soviets a headache

MOSCOW (R) — A sharp rise in Soviet sugar consumption since the start of the Kremlin's anti-alcohol drive indicates homebrewing is costing the state 20 billion roubles (\$32 billion) in lost vodka sales, Pravda said on Monday. The Communist Party newspaper said sugar sales had increased by one million tonnes a year, enough to be turned into two billion bottles of moonshine. At current vodka prices of 10 roubles (\$16) a bottle, it said, this meant illicit alcohol consumption had reached the equivalent of 20 billion roubles (\$32 billion) a year, or annual revenues from vodka, sales before the May 1985 anti-alcohol decree. "Official statistics show a reduction in consumption of vodka, but this is a deceptive statistic — it does not count home-brew," Pravda said. "The epidemic first engulfed the villages and has now also firmly settled into cities, where the availability of natural gas, running water and privacy has made it much easier."

### Dead cat at issue in court battle

STOCKHOLM (R) — Two Swedish women are locked in a court battle over the appetite of a dead cat. Its former owner vowed on Sunday to appeal against a court ruling that she must pay a \$50 bill for cat food to another woman who bought her house and got the hungry feline into the bargain. "The truth shall prevail, no matter the costs," the former owner, who preferred to remain anonymous, told reporters. She said the house buyer had accepted custody of the cat, named Misan, as part of the deal. But the buyer, who took the case to court after Misan had devoured \$50 worth of food, says she had been promised reimbursement for feeding the cat until it could be put down. Misan went to its death two months before the trial in a district court at Hassleholm, a southern Swedish town, which also ordered the former owner to pay \$50 in costs.

### Searcher 'finds' site of miracle

TEL AVIV (R) — Archaeologists believe they have identified the site where Jesus performed the miracle of the fish and loaves, the Jerusalem Post has said. Dr. Rami Arav of Haifa University's Golan Research Institute told the Post that Bethsaida was the third holiest Christian site in the Holy Land and the place where Jesus performed the loaves and fishes miracle, cured a blind man and walked on the water. Arav said archaeologists had been divided over the exact location of the site. "We believe we have settled the controversy," he told the Post, adding a major dig would begin at the site next January. The remnants indicating the location were found three kilometres north of the Sea of Galilee at At Tell. The only miracle explicitly attributed to Bethsaida by scripture is the curing of the blind man, mentioned in the Book of Mark. Christian traditions vary on the settings of the other miracles that Arav linked to Bethsaida.

### Singer gives glasses, shirts to UNESCO

TOKYO (AP) — Pop idol Michael Jackson on Monday wound up a month-long concert tour in Japan by donating for a charity auction some personal items, including T-shirts, a windbreaker and glasses he wore during concerts. "Michael Jackson gave us a total of 30 personalised items, some of which will be sent to us from the United States," said Tamaki Obama, secretary general of the Japan Federation of UNESCO Associations. The items are to be sold at an auction in Tokyo on Oct. 30 to raise funds to educate children in developing nations, she said. Sales of Jackson's personal items have raised thousands of dollars for charities in the United States. In late September, Jackson donated \$20,000 to the family of a 5-year-old boy who was kidnapped and murdered during his stay in Japan. Jackson's Japan tour began Sept. 9 and touched off a spell of "Michael fever." Tickets for his concerts were sold out hours after they went on sale. The United Nations Educational, Scientific and Cultural Organisation promotes educational and cultural activities throughout the world.

### Opera Hemingway debuts in Havana

MEXICO CITY (AP) — The debut of an opera about American author Ernest Hemingway by Soviet composer Yuri Kasarian opened a lyrical art festival in Havana, the Cuban news agency Prensa Latina said Sunday. Kasarian, an Armenian, said Hemingway inspired him because his "life and literary work demonstrated that the love for humanity is expressed not only with words but also giving all of oneself." Prensa Latina said in a dispatch received in Mexico City, Havana was chosen for the first performance Saturday because Hemingway spent some of his most productive years in Cuba, the agency quoted Kasarian as saying. His novel, The Old Man and the Sea, is about a Cuban fisherman. Ten countries in addition to Cuba are participating in the 1st Havana International Festival of Lyric Art.

### Homeless live in camp near Malibu

MALIBU, California (AP) — About 30 homeless people are camping near the oceanfront homes of celebrities Johnny Carson and Barbra Streisand, much to the dismay of some wealthy neighbours who feel threatened by them. "I sleep with an alarm and a gun under my pillow because of the situation," said resident Vivian Nelson. Tents, makeshift beds and treeshouses fill a 2.5-acre (1-hectare) Eucalyptus Grove on Pacific Coast highway that local homeowners have dubbed "the jungle." "It's a horrible health hazard and a real fire hazard, but the police won't even go in there," said Judy Kennedy, a horse breeder who lives on a ranch nearby. "I'm sure a lot of these guys work hard in honest jobs all day, but they don't belong in my back yard." The camp is located 800 feet (245 metres) from the ocean and public showers. Most of the homeless are from Mexico, Guatemala and Costa Rica, and they spend their days looking for odd jobs they can do for residents. They scrounge food from garbage bins or buy it from a small store where actress Ali McGraw shops. The campsite is relatively safe, said Buford "Pops" Johnson, 62, of Kentucky, who has lived in the grove for a year. "There are fights, but no one really gets hurt and no one touches anyone else's stuff," Johnson said. "I don't think any of the boys in here steal. If they do, they're out."

## GOREN BRIDGE

BY CHARLES GOREN  
AND OMAR SHARIF  
1987 Tribune Media Services Inc.

### A CLASSIC CASE OF AVOIDANCE

East-West vulnerable East deals  
NORTH  
♠ A874  
♥ J98  
♦ A6  
♣ 8762

WEST EAST  
♠ QJ1095 ♠ K  
♥ 76 ♥ 104  
♦ Q83 ♦ KJ109542  
♣ J84 ♣ KQ5

SOUTH  
♠ 632  
♥ AKQ752  
♦ 7  
♣ A103

The bidding  
East South West North  
1 ♠ 1 ♣ 2 ♠ 3 ♣  
Pass 4 ♣ Pass 4 ♣  
Pass 4 ♣ Pass Pass  
Pass

Opening lead: Queen of ♠

A classic example of an avoidance play cropped up in an early round of the Rosenblum Cup team event at the recent 7th World Bridge Olympiad. The declarer, New York optimist, broker Ron Rubin, made no mistake.

four clubs after his partner had raised hearts, then left it up to North to decide whether to go on. The latter was quite happy with four hearts.

The opening lead gave declarer an anxious moment—if West had a six-card suit, East would ruff away the ace. Even when East dropped the king, there was still work to do. Faced with two losers in each black suit, the only hope for the contract was to establish a long club while, in the process, keeping West off lead.

For that to succeed, East had to have both the king and queen of clubs—not unlikely in view of his opening bid. So at trick two declarer led a low club from dummy and, when East followed with a spade, he shot up with his ace. As the cards lie, declarer could establish the table's 13th club for a spade discard without surrendering the lead to West.

Observers said it would not have helped East to split his club honors at the second trick. Declarer would simply have allowed him to win, and then returned to dummy to lead another club toward his hand. Depending on whether East then rises with his honor or plays low, declarer would either win or permit East to hold the trick, achieving the same result.